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# RELIEF FOR EUROPE

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NATIONAL PLANNING ASSOCIATION

# NATIONAL PLANNING ASSOCIATION

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# RELIEF FOR EUROPE

The First Phase of Reconstruction

*An NPA Group Study*

*And Esau said to Jacob, Feed me, I pray thee, with that . . . pottage for I am faint. And Jacob said, Sell me this day thy birthright.*

*And Esau said, Behold, I am at the point to die; and what profit shall this birthright to me?*

(Genesis 25: 30-32.)

The birthright of a mature democracy depends upon the freedom from want.

The National Planning Association last spring sponsored a series of group meetings devoted to the problem of international relief. Persons from many countries, from government agencies and private relief organizations participated. This pamphlet summarizes in part the discussion. The ideas and opinions presented are therefore the contributions of many individuals; they do not necessarily represent the views of the Board of the Association nor of the individual members thereof.

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# RELIEF FOR EUROPE

## THE FIRST PHASE OF RECONSTRUCTION

### I. THE NECESSITY FOR RELIEF AND RECONSTRUCTION

There is a spectre haunting Europe. That spectre is famine. He walks by day and night, and his shadow has been seen of late in almost every land, from Seville to Moscow, from the Baltic to the Mediterranean. Where he goes, men and women, but particularly children, are left exhausted and spiritless. Then comes another figure, disease. He strikes where famine has been. His march is terrible, and his mark remains for at least a generation. No one is untouched, for even those whose bodies are spared by famine and disease, suffer in mind. Men grow more embittered, full of hatred and despair, suspicious and unreasonable. The suffering they endure does not ennoble them; it drags them downward and makes them less capable of building a better world.

With every month of war, more and more people are falling a prey to these forces. When the war is over, we shall scarcely care to sit by and watch those who are left starve to death, country by country. We of the western hemisphere are sons and daughters of Europe; it is therefore not only humanitarianism that will impel us to help, but also self-preservation. For we shall be helping our own parents and our own brothers.

It would be a mistake, however, to assume that only our consciences would suffer if we allow Europe and other stricken regions to continue to fall to pieces. Sooner or later the whole world, including the United States, would suffer for it too. We are all parts of one body, and even the most sordid self-interest demands that we take care of afflicted members. The interdependence of the economic world is a familiar, almost trite concept. The impoverishment and economic collapse of Europe after the last war was a prelude to the world-wide depression. The same would happen again. Unless Europe is rehabilitated economically, the whole world will be the poorer.

Politically, too, the well-being of Europe is our problem. Two world wars have shown that American isolation from European and Far-Eastern problems is a dangerous delusion. Peace is indivisible. There can be no real peace until throughout the world living conditions are bearable, and the idle have a chance to perform useful and satisfying work. Therefore, if the United States

wants peace in the future, we must do our part in seeing to it that children do not go hungry. Such children do not grow up properly. It is the hungry German children of 1919 that are the Storm Troopers of today. Furthermore, a healthy peace depends on there being no "sick man of Europe."

Citizens of the more fortunate countries must therefore prepare their minds now to perform a tremendous task of relief and reconstruction as soon as possible. But it will take more than a vague willingness. Organizing a relief administration is a difficult and complex job. There is no time to lose in setting up such an administration. The lesson of "too little and too late" has its application in the saving of human lives.

Large-scale relief during the war is impossible unless there is a reversal of policy on the blockade. Many people feel that the blockade is a mistake, and that the Allies should begin feeding Europe now. This is a highly important controversy, on which the lives of millions may depend, but it is quite separate from the "post-war" problem dealt with in this pamphlet. And even if the blockade were withdrawn, with war raging in three continents and on every sea, comprehensive relief would be impossible. Relief, to be sound, must be a first stage of reconstruction. The real task will therefore not begin until fighting stops.

It is necessary to distinguish two periods, the transitional period, which will start as soon as fighting stops, and the long era of general reconstruction, lasting perhaps ten years or more thereafter. This division is, of course, highly artificial. Fighting may cease at different times in different places, and wherever it ceases, the first, or transitional phase of reconstruction can begin. Similarly, the second phase will begin at different times in different places, and there will be no abrupt line of demarcation between the two. Relief and reconstruction comprise one process, in which "relief" will predominate at first, and later, reconstruction. By definition, the transitional period is the phase in which pure "relief" will be an important if not dominant consideration; a time when some external or international relief agency must be responsible for seeing that the hungry are fed, that the naked are clothed, that the sick are made well, and that life is again made tolerable.

A large element of permanent reconstruction enters into this; it entails not only the dispensing of imported relief supplies, but also beginning the rehabilitation of agriculture, industry, and communications. The transitional period will doubtless last until the

second harvest after fighting stops, at any rate at least fourteen months. In the long-range period, imported relief will no longer be necessary, and, it is hoped, reconstruction itself can be carried on by the various national governments within their own boundaries, though continued collaboration among all peoples will be essential. The features of the transitional period, which is the subject of this pamphlet, are, therefore (a) the important role which imported "relief" supplies must play, and (b) the necessity for international action to meet the problems.

When we say that the world is an economic unit and that peace is indivisible, we must include the Far East and other parts of the world in the statement. However, the Far East brings such vast complexities into a consideration of the transitional period, that it must be excluded from the scope of this pamphlet. There is some justification for this since our largest relief job during the transitional period will undoubtedly be in Europe. Asia's food problem is largely a job of long-term reconstruction, including the development of inland transportation, rather than a task for the transitional period. The European situation, being specifically war-created, must be met by "relief" measures.

## II. THE SITUATION WE FACE

Before considering problems of relief administration and possible solutions, it will be worthwhile to survey the actual situation that the world will face, or, rather, is facing now. What are the extent and nature of Europe's needs? Reliable data are hard to obtain. Nevertheless, it is possible to gain some idea of conditions by piecing together bits of information gathered from newspapers, from announcements of rations, and from reports of other observers abroad.

### The Lack of Consumers' Goods—A "Relief" Problem

**Food**—First of all, then, the lack of consumers' goods, creating a need for pure "relief", should be considered. The most glaring deficiency is, of course, in food. Everyone has seen reports from time to time of famine in Athens, or of malnutrition in Belgium. But it is only when these fragmentary bits of information are pieced together that we have any conception of the truly hideous conditions. In no country in Europe, with the possible exception of Portugal, are people getting substantially the same to eat as they

did before the war.[1] The only other countries whose diet approaches adequacy are Sweden, Switzerland, the United Kingdom, Eire, Denmark, and Germany. All the other countries of Europe are in need of immediate food relief.

There are several where food is inadequate, but not dangerously lacking. The Netherlands is in this category; Bulgaria, Hungary, and the protectorate of Bohemia and Moravia probably belong in this class also. Romania and Slovakia should probably be included too. While precise information on these two latter countries is slight, the fact that they have introduced bread rationing is significant, since normally they export grain.

In the next group of countries, there is an acute and dangerous lack of food, but not outright starvation. These include Norway, and perhaps Finland, though they perhaps belong in the class of starving countries. Italy should be mentioned in this group too.

Starvation, rapid or gradual, prevails in the other countries; Greece is probably the worst off, then in order, Poland, Belgium, Spain, France, and parts of Jugoslavia. It is impossible to say what the situation is in the former Baltic States, and in the various parts of Russia, though famine probably exists in those parts of the U. S. S. R. held by Germany.

The case of these most desperately hungry nations may be illustrated by data from France. An adult Frenchman must subsist on a daily ration of about three-quarters of a pound of bad quality bread (perhaps ten slices), a handful of dried peas or beans, about the same amount of alimentary paste (i. e. spaghetti, noodles, macaroni, etc.), perhaps two teaspoonfuls of sugar, a piece of meat not much larger than a silver dollar, cheese enough for a mousetrap, a tiny scrap of butter or else some vegetable oil, and a microscopic amount of ersatz coffee. Sometimes potatoes are available, occasionally fresh fruits and vegetables. Nutritional science provides a yardstick against which to measure this ration. An adult male leading a sedentary life requires 2,500 calories a day. Half of this intake is expended in the body processes of breathing, circulation, and other involuntary motions, leaving half to be used in voluntary movement. That is, just to keep alive lying perfectly still all twenty-four hours, a man needs 1,250 calories daily. The Frenchman's current allowance falls short of this impractical minimum by more

[1] In the case of Spain, food shortage began as a result of the Civil War, and has continued ever since.

than 100 calories. Literally, this is a starvation diet.

In classifying regions in this way, several cautions besides the unreliability of data must be borne in mind. Conditions vary in different parts of each country, and among different classes of the population. France, for example, has an elaborate rationing system, designed to give equal needs an equal claim. Besides the regular adult ration, there are seven separate schedules for groups with special needs—for children of various ages, for the aged, for nursing and pregnant women. In many other countries, rationing schemes provide extra allowances for heavy laborers.

In general, farmers are better off for food than urban dwellers. In Jugoslavia, for instance, it is reported that requisitioning of farm produce in rural areas is not effective because of local resistance. Presumably the more fortunate peasantry can live to a large extent on their own produce. A similar unevenness in distribution prevails in what was Unoccupied France. Eggs are practically unknown in Marseille, whereas they are sometimes available in country districts. To note this is not to imply that farmers all over Europe have enough to eat. Agricultural production on the Continent has fallen disastrously, as will be described later; and in German-occupied areas, watchful eyes prevent the farmer's consuming more than the proper share of his produce.

Transport difficulties, or general lack of organization have added to local inequalities of distribution within individual countries. It is reported that in parts of Spain, oranges have rotted on the ground, while a few miles away, the population had not seen an orange in months.

Differences in income also determine food consumption in varying degrees. Money is of supreme importance in Spain, where the rich can buy, while the poor faint from hunger in the streets. Even among strictly rationed populations, money is of great importance in the struggle for food. Rationing in France [2] and in Belgium, for instance, has not kept the price of foods sufficiently low to be within the reach of all. Meat is often so expensive in formerly Unoccupied France that citizens are unable to use their meat coupons. Black markets, too, provide an extra source of food for the small numbers of people rich enough to patronize them.

In German-occupied areas, there is racial discrimination in ra-

[2] Official rations have been substantially the same in Occupied and Unoccupied France. The Germans have left rationing in both parts to the Vichy Government.

tioning. Polish Jews, according to one report [3] are allowed only about half the regular Polish rations. They live on one pound of bread, and one-third of a pound of potatoes a week, and nothing else.

Furthermore, in considering comparative data, it is necessary to distinguish among various kinds of foods. Thanks to the science of nutrition, we now know that mere quantitative sufficiency of food is not enough to insure health. Not only must an adequate diet provide enough calories of energy as fuel for bodily functions and support of activity, it must also contain vitamins and minerals to preserve health, and proteins to build tissue. Foods that are chiefly valuable for providing these elements are known as protective foods. Green and yellow vegetables are protective foods, and relatively unimportant sources of energy in most diets. But many of the best protective foods are also potent sources of energy, such as milk, meat, and eggs.

These elementary facts of nutrition throw a different light on the food situation in Europe, and are of particular importance in a consideration of the rehabilitation of agriculture. They will be considered later in that connection. In view of these facts, the European food situation looks more alarming than ever, because there has been a more marked decline in consumption of protective foods than of energy foods. The cases of France and Germany are instructive in this connection. Of the 1,116 calories furnished daily by the adult ration in France,[4] 768, or over 68 percent, are in the form of grain products, which have slight protective value in the form in which they are consumed. In the United States, only 27 percent of our calories come from grain products.[5] In Germany, though the caloric content of the workers' diet has remained at from 87 to 96 percent of the 1927-1928 level, the protein content has been reduced to around 82 to 92 percent.[6] This decline in the quality of food in France and Germany undoubtedly prevails throughout Europe, since, as will be shown later, there has been

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[3] Inter-Allied Information Center Release on the German Rationing System, February, 1942.

[4] This was the ration for April, 1942, according to figures from the American Friends Service Committee.

[5] Bureau of Home Economics, United States Department of Agriculture.

[6] *Foreign Agriculture* (United States Department of Agriculture), May, 1942, p. 204.

a disastrous and general drop in the production of protective foods almost everywhere on the Continent. The lack of protective foods does not always produce an immediately noticeable effect on the human body, but over a period of years, even a mild deficiency of certain vitamins can cause debilitation. The classification of Germany, therefore, along with Sweden and Switzerland, as having "enough" food, is deceptive, since the German diet cannot be compared with Sweden's or Switzerland's in quality.

Throughout the Continent, the food situation is deteriorating rapidly. It is bad enough now; next year and thereafter it will be much worse unless relief arrives. Once again, France is a good example of what is happening. The following table [7] shows the steady decrease in the number of calories provided in the daily ration for adults. It will be recalled that the minimum should not be less than around 2,500 calories.

| | |
|---|---|
| November, 1940 | 1307 |
| January, 1941 | 1226 |
| March, 1941 | 1181 |
| May, 1941 | 1156 |
| June, 1941 | 1134 |
| April, 1942 | 1116 |

These rations can be supplemented from time to time by the purchase of unrationed foods, but on the other hand, often the rations themselves are unavailable.[8]

The food situation in Belgium is roughly the same, though fewer fresh vegetables would be available, since the country is predominantly industrial. Another area of acute distress is Finland, whose rations are comparable to Belgium's. In the Gouvernement General of Poland, conditions are considerably worse, while in Greece, mass starvation has gone so far that relief ships have been allowed in through the blockade.

This dangerous and already disastrous shortage of food in Europe is attributable to three wartime conditions: first, the dislocation of European production and transportation itself; second, the blockade of the Continent; and third, German requisitioning. These three factors are of varying importance in different areas.

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[7] These figures are from the Inter-Allied Information Center Release on German rationing systems, February, 1942, except for the figure for April, 1942, which is from the American Friends Service Committee.

[8] This is true in general in the occupied countries, where the official rations are often far more generous than available supplies.

The first, decline in European agricultural production, and collapse of economic life in general, will be discussed at some length later on. The second, the blockade, has had its most devastating effect on countries like Belgium and Greece, which import the bulk of their food. Belgium normally imports 50 percent of her food (in terms of energy value), or 70 percent counting animal fodder, and is only about one-third self-sufficient in wheat. Greece produces only 25 percent of its normal wheat requirements, and imports 40 percent of its total food needs, mostly by water. These countries naturally suffer most from the blockade.

German requisitioning has made distribution of the shrunken supplies far less equitable than it would otherwise be. Requisitioning has brought widespread suffering to all the occupied countries, (except perhaps Denmark), and to Unoccupied France as well. Every European in these regions has seen trucks or trains carrying away provisions to Germany. It is reported that 75 to 80 percent of the food imported to France from North Africa has gone either to Germany or to Italy.[9] From Norway, Germany apparently removes at least one-half of the fish products. In this way, Germany has managed to maintain a fair dietary standard. In October, 1942, Goering declared that Germans would not go hungry, no matter what happened elsewhere in Europe. A continuance, and a probable intensification of requisitioning can therefore be expected in the future.

It is hard for Americans to imagine what all these figures and statistics mean to the one-half billion suffering Europeans. They mean that in the French internment camps, some men are so weak that they cannot stand up without help once they have fallen. They mean that many Greek stevedores were incapable of unloading wheat from the relief ships that finally arrived. Hunger has reduced the people of France to a state of apathy. The connection between food and health is too well-known to require restatement. Though people are dying of actual starvation in only certain parts of Europe, the catastrophic decline in European health, and the threat of a plague such as the world has not seen since 1347, make enormous amounts of food Europe's first need. In the most desperate countries, like Greece, Belgium, Jugoslavia, and France, energy foods will be

[9] Inter-Allied Information Center, *op. cit.*

needed in huge quantities,[10] merely to keep body and soul together. During the very first stage, and in areas where pure "relief" will be the dominant concern, wheat will probably be the largest item. But as soon as starvation is stopped, protective foods will assume a more and more important place. The real job will be to rehabilitate Europe's health, and, by restoring her agricultural production on sound lines, to insure a good diet for the future. Relief therefore cannot be measured simply by tons of wheat. Milk, cheese, fodder, fertilizer, farm machinery, are some of the items that will be fully as important as wheat from the very first.

**Health and Medical Supplies.** And along with these, in the very first ships and airplanes, must go medical supplies. A glance at current European health conditions indicates the need for serums, for medical personnel, for common drugs, and especially for soap.

Under-feeding has weakened resistance to many kinds of diseases, some of which have appeared in particularly malignant forms of late. Tuberculosis seems to be rampant everywhere. In Warsaw there were 300 percent more cases in the first half of 1941 than in the same period in 1940. Rickets, bad teeth, and stunted growth are the rule, not the exception, among Belgian children. Acute avitaminosis has made the children tired and unable to think, so that they cannot profit from school. In France and Belgium, adolescents are rapidly losing weight at the very time of life they should be gaining.

Deterioration of health in Europe is not caused solely by malnutrition.[11] Lack of common medical supplies has prevented routine treatment of many ailments that would otherwise be controllable. Dr. Henri Bouquet of Paris, writes of France: [12]

> The situation of many diabetics has become desperate for want of insulin. Before the war, it was imported largely from Argentina, Holland, and Denmark. France is doing all possible to develop production here, but cannot yet meet the

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[10] The present relief scheme for Greece envisages the shipment of 15,000 tons of wheat per month, and this is grossly inadequate.

[11] "Except in the case of typhus and tuberculosis, malnutrition does not in itself appear to increase liability to infectious diseases", says Dr. Melville D. Mackenzie in the Royal Institute Pamphlet, *Medical Relief in Europe* (Oxford University Press, New York, 1942). But it does allow infectious diseases to assume a more malignant form than they ordinarily would. Children's diseases in Czechoslovakia, for instance, were very virulent in the autumn of 1941.

[12] *New York Times,* June 2, 1942.

> requirements. Hundreds are therefore dying for lack of a common drug.

He mentions particularly also quinine, caffeine, lanolin, glycerine, and cod-liver oil.

> Druggists are supplied on a quota basis. . . . The amounts available are sometimes less than 1% of their needs. Substitutes are being used in making nearly every preparation, and doctors in writing their prescriptions are accustomed to give three or four alternatives for every ingredient they suggest.

Dr. Bouquet estimates that mortality in France has risen 18 percent since the outbreak of the war.

Malaria may be expected to appear in numerous parts of Europe where it is endemic.[13] Under-feeding and the dearth of quinine[14] hasten its spread. Malaria debilitates farmers to such an extent that agricultural production is seriously curtailed in malarial regions. Thus a vicious circle is established.

Still more alarming is the appearance of typhus epidemics in diverse places. Typhus, a highly contagious disease spread by infected body-lice, is fatal in from 30 to 70 percent of cases, depending on the age of the patient. The older the victim, the more likely he is to die of it. In Russia after the last war, the epidemic of typhus carried off an estimated three million souls. It has been prevalent, though not epidemic, in Spain since the Civil War, but more recently it has occurred on a large scale in France (St. Nazaire and Tour), Berlin, Croatia, Romania, Bulgaria, and especially in Poland, where it is certainly of epidemic proportions. By February of 1942, it is estimated that 50,000 had died of typhus in Poland.[15] Four conditions especially are responsible for the spread of typhus. All are associated with war, and all are particularly marked in Eastern Europe:

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[13] Malaria has been widespread even in northern Russia, where mosquitoes breed in indoor water-barrels.

[14] Quinine comes mostly from the East Indies. The United States too is threatened with a shortage.

[15] It is significant that in Warsaw, 90 percent of the cases in 1940 were among Jews. The Jews have been packed like sardines into the Ghetto, and are trying to live on about one-half the regular Polish rations.

1) movements of population
2) malnutrition
3) shortage of hospitals, doctors, and medical supplies (particularly soap)
4) disintegration of community life and health services.

There is every reason to suspect that typhus is rampant on the battle-front in Russia too. The delousing stations that the German Army has created are an insufficient measure without cleanliness and sanitation. Anti-typhus serum is not wholly satisfactory either. No effective serum has been evolved so far, which can be prepared in sufficient quantities to make it useful. The typhus epidemic in Poland was finally controlled after the last war by rigorous application of a "cordon sanitaire" around infested areas, by general delousing, and by washing campaigns. All such measures are impossible in Europe now.

Soap is very precious in Europe at present. Fat shortage makes its manufacture difficult. In Belgium, soap production was reported to have been cut to 30 percent by the end of 1941. Even Switzerland is running low.[16]

Some notion of the magnitude of need for medical supplies is given by the estimate that Belgium alone needs now 1,100 tons of drugs, chemicals, and medicinal plants for a six-months' period. (This does not include soap.) Assuming arbitrarily that the need *per capita* is, or will be, as great among the 500,000,000 people in Europe as it is in Belgium, 68,750 tons would be required.[17]

The psychiatric disturbances caused by the war are among its most distressing consequences. Not only will millions of European children perish, or grow up stunted and malformed, but many,

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[16] Switzerland has been able to survive because the belligerents have allowed her to import food from overseas through the blockade. Switzerland has a small merchant fleet, which brings supplies to Genoa.

[17] This figure, however, is probably exaggerated, since it does not take into account a) ordinary European production of medical supplies, nor, b) the decrease in military demand after the war. Here are some of the supplies most needed in Europe. Almost all are of a very simple nature:

1) sheets, blankets, beds.
2) epidemic controls:
   a) vaccines (e.g. small-pox, typhoid)
   b) soap, paraffin, disinfectants.
   c) chloride of lime (for sterilizing water)
3) ordinary drugs—especially quinine, anesthetics, salvarsan.

if not most, will show acute psychological abnormalities as a result of what they are now experiencing. An examination of 3,000 children under 14 years of age from various famine areas after the last war, showed that 53 percent had marked psychological abnormalities.[18] With some, cannibalism had become an habit to which they were inclined even after other food was available.

**Clothing.** Other indispensable goods besides food and medical supplies are lacking in Europe today, though they scarcely rank in importance with these two. Clothing is worth its weight in gold in many localities. In Northern Europe, where winters are severe, the clothing shortage not only causes extreme discomfort, but is actually a menace to health and life. For Belgium alone it is estimated that 1,200,000 complete outfits are needed immediately; one-third of this number for men, one-third for women, and one-third for children. In other areas, people go about in rags, as the following letter from a Quaker relief worker in France testifies. He was distributing some 1,600 articles of clothing in an internment camp:

> It was a pitiful sight, that long line of ragged men waiting outside with their guards. They were called out by name, came in, and we read aloud from our list what should be given to each one. One helper checked up on the sizes of the espadrilles (wooden shoes); another was behind each pile of clothing. . . . Nearly all of the men needed a complete outfit . . . a suit, shirt, pullover or waistcoat, socks, and espadrilles. And it was heart-breaking to have to say no, when they asked for a thing they needed but which we lacked.

Paper clothing has made its appearance. A Swedish relief committee is planning to send thousands of paper blankets and sweaters to Belgium. Even in Germany, clothing appears to be insufficient. Of course, during the winter, the Army put a great strain on the supply.

**Fuel.** The fuel situation is likewise acute, and becoming more so. During the winter of 1941-42, people in most parts of Europe suffered intensely from the cold. In the winter of 1942-43, it is much worse. Lack of heat is indirectly responsible for many deaths, and it is probable that in some localities people actually freeze to death,

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[18] Melville D. Mackenzie, M.D., *Medical Relief in Europe*, Royal Institute of International Affairs. Oxford University Press, New York, 1942. pp. 29-30.

through lack of fuel and clothing. A newspaper published in Czechoslovakia revealed in September, 1942, that during the approaching winter, the heating of all public buildings, restaurants, hotels, theaters, cinemas, shops, schools, and prisoners' barracks must be suspended. Even in Germany, civilian use of coal has been cut drastically. Thirty million tons have been reserved for civilians for the winter of 1942-43. The peace time consumption was around forty-three million tons. Neutrals, especially Eire and Portugal, are feeling the coal shortage. Sweden has introduced rationing of electricity.

**Housing.** Serious as the coal shortage is, it can be met with greater ease after the war than the housing shortage. Rebuilding bombed areas will be a costly and lengthy process in many places. The damage to houses in Warsaw, for instance, is estimated at $460,000,000, or almost twenty times the city's usual annual budget. Two billion cubic feet of living space were wrecked beyond repair.[19] Close to 10,000 houses were destroyed in Belgium during the blitz, and 40,000 others damaged. Destruction by aerial bombardment and land operations continues, and would be greatly increased by the opening of a second front in Europe.

### Breakdown of the Means of Production: The Relation of Relief to Reconstruction.

In the foregoing section, a brief sketch has been given of the needs of Europe for the most vital consumers' goods, articles that are required every day to sustain life. These needs are of a distinctly emergency character, and they must be met by measures that can be rightly described as pure "relief." Relief, however, is not cure. Sending over food and drugs helps only so long as these articles last. Relief should be like artificial respiration; its aim is to restart the ordinary process of living. The notion of momentary relief must therefore be supplanted by the notion of reconstruction. The job of the relief and reconstruction agency will be to wind up the springs of European economy, not to push the hands on the dial around. Once Europe is set on her feet, relief will no longer be necessary. Relief, it must be remembered, is both abnormal and

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[19] Stefan de Ropp, "Economic Elements of the Post-War Situation in Eastern Europe", *New Europe*, January, 1941, p. 41.

unpleasant. It taxes the giver and humiliates the recipient.[20] Self-respect and human dignity are as important to restore as health and industry. Rehabilitation of Europe's economy does not only imply autarchy, however, but simply a return to healthy production and trade. To help others help themselves must be the guiding principle of a relief administration. The sooner the relief administration makes itself unnecessary, the better.

In relief after the last war, the most successful and rewarding efforts were those which made the inhabitants self-supporting. For instance, a group of only about half a dozen American doctors went to Serbia and established several public health clinics under local supervision. These later became centers not only for medical attention and education but also for agricultural training. Again, the Society of Friends bought a large number of horses in Siberia and elsewhere, which they brought with considerable trouble and expense to Poland. The horses were lent to Polish peasants who were thus enabled to plow their fields and raise food for themselves. In the long run, the transaction proved much more satisfactory than if the money had been spent to import food from America. Mr. Kenneth Brooks, describing relief activities of the Friends after the last war, points out the intimate connection among various segments of national economy, and the bearing of this connection on relief and reconstruction:

> It is impossible to separate relief from rehabilitation. . . . Side by side with the relief work it will be necessary to undertake as part of the agricultural policy a vast program of public works, for roads, bridges, and railways will be in a state of disruption, and disrepair. This part of the program might be undertaken as a relief program for townsmen whose interests are equally in the rapid rehabilitation of agriculture, and who tend to be fed at the expense of the agriculturalist, on whom the towns rely for their supplies in succeeding years.[21]

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[20] It is an interesting fact that many young Nazis today feel bitterness and humiliation on recollecting that they owe their lives to American aid after the last war.

[21] Kenneth G. Brooks, *Some Problems of the Post-War World*, read at a Conference on Post-War Agricultural Reconstruction in Europe, London, March 20-21, 1942, held by the British Association for the Advancement of Science.

Already there has been a breakdown of the means of production in Europe. With the end of German rule, with revolutions, vast migrations of refugees, and the collapse of war industries, the Continent will be in a state of utter chaos.

A brief outline of the situation now existing will show more clearly the enormity and complexity of the task that lies ahead. The needs for consumers' goods, described in the foregoing section, though immense, are comprehensible and capable of statistical treatment. Quite the reverse is true of the economic situation. Population, industry, finance, transportation, and agriculture are so tied up with one another that we are confronted with an infinite number of vicious circles. A separation of the problems is bound to be artificial, yet for purposes of description it is necessary. The thoroughgoing solution of these problems is a task for the long-term reconstruction period, and not within the scope of this pamphlet. However, since reconstruction has to begin in the transitional period, the disintegration of the European economy has a vital bearing. It is appropriate to survey at this point the extent of collapse in so far as it affects relief and reconstruction in the transitional period. For this purpose, the economy may be divided into the following segments: population, industry, finance, transportation, and agriculture. The last two have the most immediate bearing on a relief program, and will be considered at some length; the others merely touched upon.

**Population.** Normal economic activity (except in nomadic lands) demands a reasonably permanent population. Farming cannot go on if the farmers are constantly on the move; factories cannot operate if workers stay only for a few weeks. In a reconstruction period, it is of particular importance that populations remain reasonably stable. There is no use helping a farmer to get established on land that he does not intend to occupy, or that he is afraid he will lose in the near future. He cannot be expected to show any interest. Therefore, the wholesale dislocation of populations that has taken place in Europe since 1939 will complicate the relief problem. The following table [22] shows how many workers are estimated to have left their homes by the fall of 1941, to be employed in Germany. About four-fifths of this number are men:

[22] *Foreign Policy Association Reports,* June 1, 1942.

| | | | |
|---|---|---|---|
| Belgium | 121,500 | Netherlands | 93,000 |
| Bulgaria | 14,600 | Poland | 1,007,600 |
| Denmark | 28,900 | Slovakia | 80,000 |
| France | 48,600 | Hungary | 35,000 |
| Italy | 271,800 | Bohemia & Moravia | 140,000 |
| Jugoslavia | 108,000 | Others | 190,000 |
| | TOTAL 2,139,600 | | |

In addition, approximately 3,000,000 prisoners of war were reported in Germany. In other countries, too, there are prisoners. The number of foreigners in Germany is increasing all the time. Besides "voluntary workers" and prisoners of war, there are large concentrations of evacuees and refugees in all parts of the world. The situation in Poland is perhaps the most complicated. Not only have over a million "voluntary workers" gone to the Reich, plus an undetermined number of prisoners, but tens of thousands of Poles residing in the Incorporated Area in the West have been ejected eastward to make room for German settlers. Meanwhile, Jews from Austria have been sent into Galicia. When fighting stops, everybody in Europe will want to go home, and there will be months of indescribable confusion. Getting people settled will be an immediate task for the relief and reconstruction organization.

**Industry.** War of course always creates profound disturbance in industrial production. First of all there is physical destruction. In Belgium alone it is estimated that 352 factories were damaged during the invasion. Since then, sabotage has destroyed more, including the enormous sulphate factory at Tessenderloo. Bombing of industrial plants on the Continent, particularly in Germany, is assuming larger and larger proportions. Secondly, production has been geared to the war effort throughout Europe. The enormous task of conversion to peace-time production will face the relief administration, for until this is done, there will be mass unemployment and no chance for urban workers to support themselves.

A new kind of industrial dislocation has appeared in this war, *viz.* Germany's deliberate de-industrialization of large areas of Europe, with a view to giving the Reich an even more complete monopoly in European industry. This plan is being executed with great thoroughness in Poland. Industrial equipment is often moved bodily from Poland into Germany, thus removing the customary means of livelihood of Polish city-dwellers. (Fortunately even the Germans cannot move coal-mines.) The changes thus wrought are often economically unsound, being dictated by the political consideration of strengthening Germany. The ultimate goal is to make

the Reich the one great industrial state of Europe, surrounded by a ring of agricultural satellites.

Finance. To review the financial situation of Europe in detail is beyond the scope of this pamphlet. That financial chaos can bring a relief program to grief, however, must be noted. After the last war, the relief program became involved with the question of war-debts, and suffered thereby.

Certainly the suffering and financial loss attendant on German occupation can never be estimated, much less paid for, dollar by dollar. Germany has invented clever devices for impoverishing her victims, yet retaining the illusion of fair-play. "In the conquered territories", says the *World Economic Survey*,[23] "goods and services were appropriated largely by requisition, levies, and other means derived from the fact of military domination. The financial forms in which some of these impositions were effected fell into three main groups: (1) issues of new currency, (2) tributes for occupation costs, and (3) payments through clearing accounts."

The new currency notes, or Reichskreditkassenscheine, were simply printed by the German army and declared legal tender. They were not redeemable in Germany, and hence, those who received them had no claim on the wealth of the Reich. These notes were temporary only, and soon disappeared from circulation in most countries where they were used.

However, the levy of tributes and occupation costs give the Germans an enormous supply of local currency, which is grossly undervalued in terms of the mark. This inequitable exchange rate has meant for example, that a mark will buy twice as much in France as in Germany.

Similarly, in clearing agreements, the Reichsmark is overvalued. In every such bargain, Germany comes out ahead.

The real danger in the present situation, however, is the threat of uncontrolled inflation as soon as the restraint of rationing is removed. There has been considerable currency inflation in many of the occupied countries already. The currency circulation in France had risen to 310 milliard francs by June, 1942, compared to 175 milliard francs at the time of the Armistice.[24]

The industrial dislocation already described will present financial problems. How will owners of industries be indemnified for the loss

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[23] *World Economic Survey, 1939-41*—League of Nations, Geneva. p. 150.

[24] *The Economist*, London, August 22, 1942. p. 237.

attendant on the destruction or removal of their plants? In many instances, the records themselves have been destroyed or lost. An equitable solution will be exceedingly difficult; the best we can hope for is a speedy rehabilitation of economic life, looking toward the future rather than the past. In any case, international coordination of monetary and fiscal policy is essential.

**Transportation.** Transport difficulties of one sort or another contribute largely to Europe's present plight; and unless communications of all sorts are quickly repaired after the war efficient relief will be impossible. Relief and reconstruction depend upon both trans-oceanic and internal transport.[25]

Ocean shipping, as everyone is aware, has suffered enormously from wartime sinkings. Vessels have been sunk faster than they have been built. The longer the war lasts, the less adequate shipping may be to carry the enormous bulk of relief supplies needed, at least until the time that ship construction begins to exceed sinkings by submarines. Even after that time comes, it will be many months or years until an adequate merchant marine is again afloat.[26]

Not only will tonnage be short, but port facilities will prove a bottle-neck. The port of Antwerp, for instance, has been severely damaged, and R.A.F. raids on it continue. Other important ports of Western Europe, where relief supplies would naturally be brought, have suffered heavy bombings. The scenes of utter confusion which took place in the Baltic ports after the last war may be repeated. American Relief Administration supplies were so badly tied up at Baltic harbors in 1919 that for a while it appeared that the whole relief program in Eastern Europe might have to stop.

Internal transport is no less important, and has suffered equally serious dislocations. In Belgium, for example, the Germans have requisitioned and removed from the country at least half of the freight cars, and over half of the locomotives. What rolling-stock is left, is in a sorry state on account of lack of grease and oil. Machinery will not last unless properly lubricated, and Belgian rolling-stock is fast deteriorating. Sabotage has also taken its toll.

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[25] Speedy communication of information is also necessary. The American Relief Administration after the last war found it necessary to establish its own European courier service, because telegraphic and postal systems were so unreliable.

[26] For a fuller discussion of the probable post-war shipping situation, see Hans Groner, "The War and the Future Shipping Situation", *New Europe*, November, 1941.

In addition, there is a coal shortage, a paradoxical situation considering that Belgium is a large producer. Moreover, some 1,400 railroad bridges were wrecked by the war itself. Train service has been reduced to a minimum, and the schedules have been slowed up, so that a former two-hour run might now take eight hours. Fortunately, Belgian motor roads are still in good repair.

Belgium is probably no worse off than most other European countries in this regard. In Poland, internal transport is even more chaotic. Western Poland's railroad system has been fused with Germany's; railroads in the middle part are administered by the Gouvernement General, and in the rest, by the Army.

The horse is an important link in Europe's system of transportation, particularly in the East. Peasants living long distances from railroads must take their produce to the railroad or to a town by animal-drawn vehicles, and bring back supplies for themselves the same way. During and after the last war, horses disappeared from large areas of Poland and Russia. Though horses probably play a less important role in transport at the present, their disappearance is a serious matter.

These difficulties illustrate the type of problem a relief administration must cope with. In the United States we can rely on efficient transportation. In post-war Europe, we must be ready for quite the opposite. American Relief Administration activities were often brought to a standstill in Russia after the last war on account of collapse of the railway system. Freight trains carrying food for famine regions would get lost for weeks in Siberia, sometimes travelling thousands of miles out of their way. In Hungary, goods could not be moved because Romania had confiscated Hungarian rolling-stock. In Romania, the rolling-stock was sitting idle. Red tape and want of authority vested in the Relief Administration prevented the locomotives' being returned. Men were dying, while goods stayed in the warehouses.

**Agriculture.** Agriculture is the most important single industry in Europe, as it is in America. Thirty-seven percent of the "gainfully employed" population in Europe were farmers before the war. In Eastern Europe, the percentage is much higher; for example, in Poland it is 67 percent. The downfall of many civilizations can be explained by agricultural decline, and European farming is rapidly degenerating.

Even a program of pure relief will depend largely on European agriculture. The nearer the supply is to the need, the less dependent

the relief program is upon transportation, which, as we have seen, will be a major stumbling-block. Secondly, it must never be lost sight of that the success of a relief program is to be measured not only by how many pounds of food enter how many mouths, but also by the extent to which people are put back on their feet, and made self-supporting. In short, relief must always be regarded as a necessary but temporary expedient, as an initial stage of reconstruction. This relation is shown most clearly by agriculture.

Agricultural reconstruction will be extremely complicated, even in the immediate post-war period, because it will entail large-scale reorganization. In this field, much more than in others, it will be insufficient to take into account merely the difficulties brought on by the war. Serious as they are, they are imposed on an uneconomic pre-war pattern. The war-caused disorders cannot be cured without some overhauling of the whole system. Reorganization of European agriculture is therefore a necessity that must be initiated along with the first measures of pure relief. Hence, some characteristics of pre-war European agriculture should be outlined, before the subsequent dislocations caused by the war are considered.

Europe before the war was capable of supplying 90 percent of her food requirements, and 93 percent of her cereal requirements, it was estimated by German experts. This high percentage is deceptive, however, for two reasons: (1) it assumes a level of subsistence far below minimum dietary standards, and (2) the necessary imports are of an exceedingly critical kind, the largest being fodder, on which depends the livestock industry of Europe. Therefore, if the hypothetical 10 percent were cut off (as indeed it has been), the 90 percent would suffer too. Furthermore, without fertilizer imports, crop production declines disastrously. Consequently, Europe as an whole is by no stretch of the imagination self-sufficient in food. Some countries, as a matter of fact, import most of their food. Belgian imports of food represented 50 percent of the energy value of total consumption, or 70 percent, counting animal fodder. Greece imported 40 percent of her food. Hence, the economic well-being of Europe depends on a great measure of trade, not only between Europe and the rest of the world, but within Europe as well. Lack of international cooperation, and the pursuit of restrictive nationalist policies have interfered with this necessary trade. Many nations have deliberately sacrificed economic production in order to achieve self-sufficiency.

Italy is one of the best object-lessons in the effects of autarchy.

Mussolini's frenzied efforts to make Italy self-sufficient have meant less to eat and more to pay for the Italian people. For many years, Italy has been waging a great "Battaglia del Grano", a Battle of Wheat, to make the country independent of imports. What success has been achieved is Pyrrhic, since wheat costs three or four times as much as it otherwise would. The high price of wheat has kept the number of livestock down. Meat consumption is therefore abnormally low in Italy; in fact for years before the war began, Italians have had a miserable diet.

P. Lamartine-Yates described the effects of French efforts at autarchy as follows:

> The French, having had a tariff on wheat since 1885, grow all they need at home, but it takes a million man-years to do it, whereas a quarter of a million would be sufficient if farming had not stagnated. Three-quarters of a million wasted men! And despite their long years of tariff protection, French wheat growers do not enjoy a comfortable living. . . . But France knew she was living in a crazy world, and in such, it would be foolish to pursue wise policies.[27]

Autarchy is, in fact, a chief cause of generally unbalanced agricultural production in Europe. The artificial restrictions on imports in France, Switzerland, and Italy have induced farmers to plant acreage to wheat that were better used for vegetables, fodder crops, or livestock. Another reason for over-emphasis on grain production is the debt burden in Eastern Europe, compelling peasants to grow wheat as a cash crop. Grains, for instance, occupy two-thirds of the cultivated land of Bulgaria.[28]

The exports of wheat from the Balkans are really "hunger exports". They do not represent true surplus. Romania, for example, sends away 20 percent of her wheat, though Romanians go hungry. Milk production in that country allows only about 30 gallons per capita per annum, a totally inadequate amount. If the excess acreage devoted to wheat were used instead for livestock, Romanians would be better nourished. Meanwhile, the great wheat

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[27] P. Lamartine-Yates, *Factors Affecting Peasant Prosperity* read at a Conference on Post-War Agricultural Reconstruction in Europe, London, March 20-21, 1942, held by the British Association for the Advancement of Science.

[28] *Foreign Agriculture* (U. S. Department of Agriculture) December, 1940, p. 765ff.

countries of the Western Hemisphere and Australia can meet wheat needs much more cheaply. The demands of nutrition experts simply corroborate what is economically desirable. The European peasant and city-dweller alike, consumes far too little protective food. His diet would be vastly improved if European farmers increased production of vegetables, fruits, and livestock, at the expense of grain. There is a slight tendency to do so now in Eastern Europe, though at the present rate, it would take a hundred years for the optimum balance to be reached.

Another evil effect of unbalanced production is continuing rural unemployment. There was, before the war, an estimated surplus farming population of 14½ millions in Eastern Europe.[29] That is, the customary pre-war farm production could have been maintained with 14½ million fewer people. "One-third of the working-time was used unproductively, although the production under existing conditions takes about twice as much labor as in Western Europe." [29] These 14½ million people can never be usefully employed in grain-producing areas because grain can be raised most efficiently by extensive methods of farming. Much of the surplus, however, could be employed if fruits, vegetables, and animals were raised instead.

This condition of unbalance is especially unfortunate during a relief period. If Europe were raising her own protective foods, it would be relatively simple for the New World to send over vast quantities of grains, of which we have a large surplus (at least at present). This could be done quickly. Grain is easy to ship, if there are ships. But what Europe will need most is dairy products, fodder, and other perishable or bulky products, of which there is little or no surplus. It is a matter of great importance then that European farmers be encouraged to change their pattern of production.

Another handicap that needs correction is the vicious system of "parcellement", or strip farming. This is partly a medieval atavism, and partly a result of the tradition of equal inheritance. Parcellement is the rule throughout most of Europe, reaching fantastic proportions in Switzerland, where sometimes a farmer will have as many as thirty tiny strips all in different places. Such a system

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[29] R. Bicanic—*Excess Population*, read at British Association Conference, *cited*. The war has temporarily solved the problem of excess population in Europe, but Bicanic believes that it will exist again afterwards. "Eastern Europe" includes Austria, Hungary, Czechoslovakia, Poland, Romania, Jugoslavia, Bulgaria, and Greece.

makes efficiency impossible, besides causing endless litigation. This condition has wrought particular hardship in Bulgaria and Poland.

In parts of Europe, the problem is that of the large estate rather than of the tiny strip farm. Two-thirds of the Hungarian peasants are propertiless, or own holdings of less than seven acres.[30]

A relief administration will also face the problem of peasant inertia. Illiterate farmers will be unable and unwilling to adopt enlightened practices. It is no coincidence that Danish farmers are both the best-educated and the most prosperous in Europe. Education will make cooperative farming possible. In Eastern Europe, peasants have been prevented from adopting new and better methods by the extortionist practices of money-lenders and of agricultural implement cartels. Cooperative banking, buying, and selling will free the peasant from this burden. The peasant movement in Croatia, beginning after the last war, not only has made the Croat farmer more prosperous, but has given him greater participation in the processes of Government. It was primarily an educational movement.

Such measures of land reform and education cannot, of course, be quickly accomplished and are therefore problems of longer range reconstruction. But the initial policies of the relief period will set the stage and establish the direction for the future.

The conditions just described are inherited evils that have beset European agriculture for decades or centuries. Now, on top of these, new disasters have been brought by the war. Autarchy in prewar days did not mean starvation, because imports were never completely shut off. Now, however, self-sufficiency is enforced by the blockade policy, with catastrophic results. Not only has the stoppage of consumption goods decreased the diet below starvation levels in the several countries which import much of their food, but the lack of animal feed, fertilizer and machinery has reduced the agricultural production of many countries formerly self-sufficient.

Reduction of all sorts of livestock is the most serious element in the general wartime decline of production. In Belgium, for example, four-fifths of the pigs had been killed off by the end of 1941 and the number of milch-cows reduced to 700,000 from 1,000,000 by the summer of 1942. Only one-fourth of the normal number of poultry remained. During 1941 alone, the number of milk-cows in the Netherlands decreased by 20 percent. Even in Switzerland,

[30] M. Arnold Dániel—*Land Reform in Hungary*—read at the British Association Conference, *cited*.

where livestock is of the greatest importance, reductions have been necessary, as the following table shows:

| | *Cattle* | *Hogs* | *Poultry* |
|---|---|---|---|
| 1939 | 926,000 | ca. 900,000 | 5,500,000 |
| 1941 (spring) | 860,000 | ca. 780,000 | 3,700,000 |
| Estimate for December, 1942 | ..... | ca. 670,000 | 3,000,000 |

In Sweden, too, where food conditions are perhaps the best of anywhere in Europe, the number of dairy cows was 7.3 percent less in June of 1941 than in June 1939. Livestock numbers have declined sharply in most other countries, probably even in Eastern Europe. The cause, of course, is shortage of fodder. All the countries of Western Europe (where the livestock industry was most highly developed) were large importers of fodder from the New World and Africa. Now the only solution is to kill the animals before they starve to death.[31] Not only lack of fodder, but hunger, too, has driven men to kill the goose that lays the golden egg. The slaughter of cattle is particularly grave because it is usually two years until a new-born calf begins to give milk, and the period of gestation is nine months. Rehabilitation of dairy herds will thus be a long-range process. The pig population, on the other hand, can be restored more rapidly. Farmers have sacrificed smaller livestock first, so that cattle have not suffered such serious reduction as pigs and poultry.

The importance of horses as a means of transportation has already been mentioned. Horses and oxen play an even more indispensable role in plowing. Farming is still unmechanized in large areas of Europe, and it is physically impossible for a man and his wife themselves to plow enough land to support a family. Thus the dearth of horses which we know exists, even in Germany, causes a marked decline in crop production, especially when there is a lack of agricultural machinery as well. France, it is estimated, suffers a shortage of 500,000 horses and 200,000 oxen. German requisitioning, as well as feed shortage, is responsible.

Fish, a source of animal protein of great importance especially in Northern Europe, is less plentiful than before the war. Fuel for fishing boats is often not available.

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[31] Sweden has had some success with the use of sawdust soaked with molasses, though it is not a satisfactory substitute for oil-cake. More satisfactory is fodder cellulose, of which Sweden produced and consumed 400,000 tons in the agricultural year of 1941-42.

Crop production has likewise declined in many parts of the Continent, though not to such a marked degree as livestock. A number of factors have led to decline. Chief among these is a shortage of fertilizers.[32] Even Germany has suffered. Her 1942 quota for super-phosphate is only 33 percent of the immediate pre-war level. Norway, Switzerland, and France suffer similar shortages of phosphate. Germany's nitrogen quota is only 76 percent of the pre-war level,[33] and her western neighbors are worse off. Potash supplies are not so short, because potash is produced in several European countries. Crops have been reduced radically in many regions on account of the fertilizer shortage, and soil-depletion is progressing rapidly. The European earth is being severely exploited for the sake of present production.

A second handicap faced by European farmers is lack of seeds, necessitating reduced acreage. France seems to be the heaviest sufferer. Here, as in Italy, there was an especially acute shortage of seed-potatoes in the spring of 1942. In the Danube Basin, too, seed was short. The unusually cold winter and spring of 1941-42 made replanting necessary in many places; therefore the seed demand was abnormally large.

Thirdly, farm machinery and even tools are in numerous places no longer available. The production schedules set for the Danube Basin and Poland by Germany have not been met, largely for this reason. These areas look to Germany for their agricultural implements. The Quaker rehabilitation projects in rural France have been hampered because hoes, spades, etc., could not be bought. European agriculture as an whole is not so completely dependent on machinery as American, but those regions where agriculture is mechanized are now suffering from a lack of fuel and grease. Tractors are being run on wood-gas in Germany, Italy, and Scandinavia. The situation in the U.S.S.R. may be critical; certainly expansion of grain production in Eastern European Russia and in Siberia is being curtailed by lack of machinery.

Agricultural production in Russia must also be suffering heavily from the military campaigns, and from the "scorched earth" policy.

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[32] The following figures are from a U. S. Department of Agriculture press release of June 7, 1942.

[33] The immediate pre-war level of fertilizer consumption in Germany was exceedingly high, and represented a great increase over the 1933 level. Therefore, the present reductions in Germany are not so serious as in other countries.

"Scorching" makes cultivation difficult, if not impossible, for at least one year.

Nature has been unusually unfriendly to the European farmer of late. The spring of 1942 was the most unfavorable of the century in most parts of the Continent. Universal cold weather lasted extremely late, preventing normal sowing, or necessitating replanting. Then heavy floods in the Danube Basin left the ground too damp to plow for a long time. However, favorable summer weather saved the situation, and, as a whole, the 1942 harvests were not lower than the previous year's.

Another handicap of extreme gravity this year is the general shortage of labor. This indeed is paradoxical, considering that there is normally rural unemployment in Eastern Europe. But the war has altered this. Germany has been draining off manpower from foreign countries to speed her own production. We have seen already that several million foreigners are working in Germany now. Of these, around 2,000,000 are on farms. Yet Germany still needs 600,000 more farm workers, despite the drafting of women and children from cities. Lack of manpower for farm-work is reported from almost every other country of Europe.

Lastly, German economic planning has had a profound effect on European crop production. Agriculture is being changed to fit the "New Order." In the east, Germany is stimulating production of oil-seeds and other industrial crops, with some success. Cultivation of oil-seeds was made compulsory in Hungary in the spring of 1942. In France also, the acreage devoted to oil-seeds was much greater in 1941-42 than in 1940-41. This change from consumption crops to fodder and industrial products is quite in accord with the reforms of European agriculture that were discussed earlier,[34] and will be a help rather than a hindrance to permanent reconstruction. In Belgium and Holland, however, Germany seems to be carrying out the opposite policy, of demanding increased output of grains and potatoes at the expense of pasture-land and legumes. This policy has brought ruin to farmers who were able to make a living from dwarf holdings by growing garden crops, but who cannot survive by small-scale wheat farming. In these areas, the German policy must be reversed.

In the foregoing sections, a sketch has been given of the general

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[34] Though of course a necessary corollary is increased imports of cereals from other continents.

collapse of European economy, which, coupled with a disastrous shortage of consumers' goods, has reduced the Continent to conditions that are already as bad as they were at the end of the last war. The division of the economic problem into several segments was merely for the purpose of discussion, and should not conceal the intimate connections that exist among all branches of the economy. Indeed, almost insuperable economic difficulties and complexities will confront the relief administrators. The longer the war lasts, the greater these difficulties are likely to be. But from a technical point of view, the problems will not be insoluble. In fact our new knowledge and skills, now used to destroy, will be of great help in rebuilding Europe. The airplanes now bearing death, can bring life. Information on supplies, collected for better prosecuting the war, can assure rational distribution of the necessities of peace.

### The Political Situation as it Affects Relief

Unfortunately however, post-war relief and reconstruction is not simply a scientific problem, to be solved by engineers, statisticians, and doctors. A great deal more than the economic life of Europe has been shattered. The political structure has been destroyed as well, and its reconstitution will not be in the hands of scientists, even if they are "political scientists".

The absence of well-established government will prove a serious stumbling-block to any program of relief and reconstruction in three ways. (1) It is quite apparent that "law and order", which, since the days of Nimrod, have depended upon government, are essential for the functioning of a relief and reconstruction agency, especially if the agency controls the only means of livelihood in a stricken area. (2) Until national governments are firmly established, relief will be inextricably bound up with politics, and the disposition of relief supplies will be a matter of "high policy", i. e., considerations of political expediency rather than of efficiency may decide who shall control the goods and run the program. (3) Anarchy on the local level (which means not only disappearance of local government, but also of all sorts of civic organizations like labor unions and church groups), will vastly hamper the distribution of supplies among the ultimate consumers.

The importance of these three considerations can be demonstrated historically by experience after the last war:

(1) Want of "law and order" in Russia made the task of the American Relief Administration so difficult that on several occa-

sions it threatened to stop the program entirely. Lack of "law" meant that goods had to be guarded at all times. Russia was still wracked by civil war, and the new government was unable to safeguard relief supplies within its borders as thoroughly as would have been possible later. Lack of "order" explains such events as the loss of railroad trains in Siberia. In Brussels, we are told by an expert, for many months after the armistice there were "thefts of coal and of everything on cars, even by daylight, in the streets and in railway stations; huge increase of traffic accidents; burglary, mainly in isolated quarters and in the suburbs, especially at night. The least relaxation or the least decrease in the police force immediately brought about a corresponding increase in burglary, riots, etc."

(2) Political considerations largely determined which countries should be fed and which should starve, after the last war. The case of Russia is again instructive. Relief was delayed in that country until 1921 purely on account of political wranglings. The French Government, because it disliked the Soviet Government in Russia, thwarted Dr. Nansen's plan for a neutral relief administration, though the Soviet Government said it would cooperate. The next year, Russia itself was responsible for the failure of the American Relief Administration negotiations to extend aid to Soviet territory. The Russian Government refused to allow distribution of food by foreigners, for fear that they would use relief as a stalking-horse for counter-revolutionary intrigues. The Russians pointed out that relief would have been unnecessary if the blockade had been lifted. Finally, in 1921, the Soviet Government consented to American administration of relief, but only after hundreds of thousands, or perhaps millions of lives had been lost. Russia was not the only country where relief became a political football. In the Baltic region during the Bolshevik wars, it was used as an instrument of policy against the Reds. The financial arrangements with recipient countries, as we shall see later on, were determined according to whether the nation had been an ally or an enemy.

(3) Disappearance of local government and disorganization of community life can have just as hampering effects on relief administration as has chaos at the higher level. Where municipal governments, labor organizations, schools, women's clubs, church groups, and similar associations have weathered the storms of revolution, the relief job is made much simpler, because these bodies can be given responsibility for distribution of goods among the ultimate

recipients. In Germany after the last war, despite the political revolution, the social fabric remained intact. Therefore, only twenty-five Americans were required to supervise a program which fed as many as one million children a day. The direct work was done by highly responsible and capable citizens' committees, organized in each locality. In Russia, it was far different. The revolution there rocked the economic and social structures to their foundations. The social upheaval was so disruptive that Americans had to oversee distribution meticulously in every village. Otherwise relief would have been perverted by personal jealousies.

The political situation after this war is naturally a matter of speculation. There is no doubt, however, that in many places, no national government nor local authorities capable of preserving law and order will exist. The Germans have not been able to prevent food riots and sabotage in the countries they occupy at present, and with the removal of Nazi control, chaos would break loose in numerous places. One of the most serious consequences of anarchy would be a probable collapse of the rationing system. Rationing has at least kept the people of most countries alive. With its disappearance, prices would soar, the rich (if there are any) or the strong could get what food existed, while the masses starved.

Nazi success in destroying loyal local government has varied from country to country. In Norway, for example, control of local government remains in the same hands as before the invasion. It is estimated that 98 percent of the population has remained loyal, and the Germans have been unable to find enough local quislings to supplant the authorities. The task of distribution in Norway would therefore be relatively easy, since responsible and acceptable local administrative help could be counted on. In Belgium, on the other hand, although the population has remained as loyal as in Norway, more than one-half of the municipal and local officials (burgomeisters, aldermen, commissioners of police, etc.) have been dismissed, deported, or imprisoned, by the occupation authorities, and replaced by stooges. With the disappearance of German control, all the stooges will also go, leaving an administrative vacuum. There is reason to think that the situation at the termination of military operations will be much worse than in 1918, for the following reasons:

(1) The degree of starvation is much greater.
(2) Local administration is being purposely and completely destroyed by the Germans.

(3) Disorganization of the monetary system has on the one hand ruined many individuals, and on the other allowed profiteering. This will be a cause of social disorder.

And in some countries, full-fledged revolutions may take place. It must be pointed out in this connection, however, that the relief administration will not be faced, by definition, with the task of reestablishing basic law and order. That unpleasant job will doubtless fall to the lot of the occupying armies, and it is not until at least the semblance of government is established that the relief administration will move in.

How long the army's task lasts, will vary with conditions in the different areas. In some regions, the army may remain for months, or even years. But the presence of an army to maintain order, or even to govern, does not preclude the functioning of a civilian relief administration. Indeed, relief ought to be handled by a civilian authority. Though the army may distribute a small amount of relief, this will be quite incidental to its main function, and as soon as possible, within a few weeks, all relief ought to be handed over to a civilian administration, which will be active during the "transition period", as defined in the introduction.

## III. MEETING THE PROBLEM

The foregoing account indicates that already Europe is in the midst of a dreadful catastrophe. Unless the world girds its loins to meet the problem, "The Decline of the West" will be more than the title of a book. Relief after the last war, although inadequate, was approximately a two-billion dollar job. A comparably adequate job this time will be much bigger and more expensive, and a truly adequate job is impossible. But if we are determined to do the best we can, it is high time to take stock of our resources, and how they can best be used.

The question of how to meet the situation naturally resolves itself into two problems (a) the supply problem, and (b) the problem of organization. On the physical level, we are faced with the task of finding available relief supplies and ships to carry them, and of collecting data on needs. These physical supply problems are tremendous, but at least they are understandable, and capable to a considerable extent of statistical treatment. On the other hand, the organizational problems are much more complicated and delicate. Here it must be decided who will be in charge of relief administra-

tion, what powers they will have, how relief will be financed, and a host of other thorny problems. There is no necessity to dwell long on the physical problems of meeting the needs; a brief glance will suffice, before the organizational problems are considered.

### Availability of Physical Resources

The American Relief Administration after the last war, delivered 6,775,000 tons of relief supplies during the Armistice and Reconstruction periods.[35] This is almost the complete amount of relief given. Seventy-eight percent of it was sent during the first eight months of operations, that is, before September 1919. Large-scale relief was given in every belligerent country on the Continent, with the exceptions of Greece and Italy. Quantitative needs were by no means completely met. Even more important, some of the most pressing needs were not met at all, because relief was qualitatively inadequate. Food relief, for instance, was predominantly carbohydrates. Grain and sugar accounted for about three-quarters of the total tonnage. This of course, was because there were large surplus stocks of these commodities available.

Careful planning and use of the latest nutritional knowledge will make qualitative improvement of the relief supplies possible this time, though exacting nutritional standards cannot possibly be met. We may assume that the number of people needing relief after this war will be greater, and doubtless in more acute distress, than after the last. There are fewer European neutrals this time. Areas that produced some surpluses during the last war face shortages at the present. Scandinavia, Holland, and parts of France are in this situation. Spain and Italy are in need of relief as well. The inclusion of the Far East in this war will mean that it too must be included in plans for relief and reconstruction. The relief program must, in view of these various considerations, be much larger than the last one. How many times larger will depend upon the length of the war, and on careful collection and weighing of data on needs and supplies. No guess at this time would be of the slightest value.

One thing, however, can be said with certainty; the United States will not be able to meet post-war needs single-handed. Of meat, dairy products, and fodder, items certain to predominate

[35] The deliveries of the American Relief Administration were partly supplied by other governments (especially the United Kingdom), and by private organizations.

among supplies needed, there will be little or no surplus here. Already, American farm production is strained to the limit to meet lend-lease requirements of meat and dairy products without a severe sacrifice in American consumption. The overseas demand for these products during the transitional period will be far greater than our present shipments under lend-lease. Moreover, the longer the war lasts, the smaller American surpluses of every agricultural product will become, even of wheat. Though the extraordinary wheat carry-over into 1943 of 745 million bushels is predicted,[36] no increased acreage in wheat is planned for the duration. Indeed, we can expect a diminution of this surplus as farmers concentrate on products of which there is no surplus, and for which the demand is growing. The United States has no corn surplus any longer. Farmers are now making inroads into the carry-over of corn, for hog-feeding. In fact the United States, though the largest producer of corn, has never been a particularly important exporter. Before the war, Europe imported from non-European sources an average of 304,000,000 bushels per annum, while the United States exported only 36,000,000.[37] Europe's post-war needs will be greater, this country's export surplus probably smaller.

The United States is a net importer of fodder, though she has exported small quantities of oil-cake meal, amounting to around 210,000 tons per annum on an average (1931-38).[38] The insignificance of this is shown by the estimate that France alone had a feed shortage of 4,000,000 tons in 1941.[39]

Therefore, though the United States may be the most important single source of food for post-war relief (particularly of wheat, meat, and dairy products) we shall *not* be able to supply an overwhelming proportion.

Fertilizer will be required immediately in Europe, but the need can be met by short hauls, from surplus producing areas of Europe

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[36] *The Agricultural Situation* (U. S. Department of Agriculture), May, 1942, p. 6.

[37] Hally H. Conrad, *World Corn Production and Trade,* Department of Agriculture, May, 1942. Foreign Agriculture Report Number Five.

[38] Net imports of hay equal about 166,000 tons per annum (1931-1938 average), and of other feeds and fodder besides hay and oil-cake meal, around 135,000 tons per annum (1931-35 average). Figures are from the *United States Statistical Abstract, 1941,* U. S. Bureau of the Census.

[39] Inter-Allied Information Center *op. cit.*

itself, and from North Africa.[40] It is doubtful, therefore, that the United States will be expected to supply the bulk of fertilizer imports.

The United States will have an important role in providing medical equipment and cotton goods.

Other parts of the Western Hemisphere, and indeed of the whole world, will have to share the burden. Argentina is of particular importance. In 1942 she had an exportable wheat surplus of some 250,000,000 bushels. Argentina has always been the largest world exporter of corn, and at present her supply is so huge that farmers are burning it for fuel. A carry-over of about 600,000,000 bushels for March 1943, is expected. Oil-seeds, of prime importance for industry, are produced on a large scale in Argentina. The Government bought up the bumper sunflower-seed crop of 1941-42. As long as Argentina's foreign trade remains at the present low level, her agricultural surpluses will continue to be embarrassing, while her natural competitors, the United States, Canada, and Australia, may find themselves with smaller and smaller surpluses. Argentina, then, is a great potential source of relief supplies, and her relative importance in this respect will grow as long as the war lasts.

Canada and Australia will probably play an important part in meeting Europe's needs during the transitional period. Both countries normally export large quantities of wheat and meats. Canada will be particularly important in rehabilitating European herds, since her cattle can readily become acclimatized to conditions in the many parts of Europe with similar climates. Likewise, Canada will be a source of seed for reviving European crop production.

The reserves of other parts of the world must be heavily drawn upon. As we have seen, there is a desperate fat and oil shortage in Europe, which can be met largely through African vegetable-oil production. The cocoanut and palm-oil industries of Africa are capable of great expansion; peanuts, too, can be grown on a much larger scale than heretofore. Brazil has a large surplus of cotton-seed oil, which for lack of any better use at present, is being used for fertilizer, or destroyed. India can expand her cocoanut-oil production, which has declined simply for want of market. These oil

[40] Potash is produced in the U. S. S. R., in Poland, Spain, and Palestine. French North Africa produces 30 percent of the world's supply of natural phosphate.

products are important not only as nourishment for man and beast, but as raw materials for soap. Relief supplies of these products are to a large degree potential rather than actual, and their availability depends upon how soon and how well relief is organized.

A further important source of relief supplies may be the army stores. It is probable that the armies may possess large stocks of food, clothing, and building materials, that can readily be used by civilians. These supplies may be very near the spot where they are needed.

In short, Europe's rebuilding will need the help of every continent. But even if the whole world were mobilized in order that all surpluses be used in the most efficient manner, there would not be enough to satisfy the need of war-sufferers during the transitional period. The want and devastation will be so much greater than in 1918.

Nevertheless, we have certain advantages this time. Air cargo ships will undoubtedly be of some use in transporting highly important articles of an emergency character, particularly medical supplies. Likewise, personnel can be transported by air. However, airplanes will not supplant ships in carrying bulky goods like fodder and grain. Fodder will be the largest single item by bulk. The fodder shortage in France in 1941, for example, was estimated at 4,000,000 tons.[41] The largest air cargo ship yet considered is capable of carrying only fifty tons.[42]

Animal sperm for artificial insemination can also be carried by air. This new method of breeding will be of utmost importance in reconstituting Europe's livestock. Cattle sperm retains its power of fertilization for three days, and the sperm of one bull can be used to inseminate from ten to fifteen cows. It will therefore be unnecessary to ship bulls to Europe for breeding purposes, when by artificial means, the very best strains of livestock from all over the world can be put at the disposal of the European farmer with little cost. The same method can be used in breeding horses, pigs, and sheep. Arti-

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[41] Inter-Allied Information Center, *op. cit.*

[42] Belgium alone will need 4,000,000 tons of supplies for the first six months after the Armistice. (This includes food, fertilizer, and raw materials for industry.) To transport this amount by air would require a fleet of 1,231 two-hundred ton cargo planes, (none of which exists yet), each making 2½ round-trips a week from the United States, carrying the maximum fifty tons of freight. The fuel consumed for such a purpose would be better used for running agricultural machinery in Europe.

ficial insemination, however, cannot be carried out on a significant scale unless many more specially trained technicians than there are at present are available.

Valuable shipping space can be saved by still another modern device, dehydration. This art was in its infancy at the close of the last war, but continued experiments have resulted in astonishing progress. Dehydrated products seldom take as much as one-third of the space of their fresh counterparts, and of course keep better. One pound of dried milk makes eleven pounds of fluid milk; dried eggs take only one-quarter of the space of fresh eggs, and are much easier to handle. The United States Department of Agriculture is now experimenting with meats, and has succeeded in producing something that resembles the original product in taste and appearance, as well as in nutritive value. A dried soup has been invented, in which enough proteins and vitamins for a twelve-year-old child for one day are contained in one ounce.[43] The Russians are being supplied with this through lend-lease, in hundred-pound containers, each serving 1,600 children for one day. The Emergency Army Ration, also composed of dried ingredients, is just as remarkable. One pound of it contains 2,400 calories.

Advanced knowledge of nutrition has enabled scientists to develop these rations, combining minimum weight and bulk with maximum nutritive value. In general, we know so much more about food now than we did twenty-five years ago, that more efficient use of supplies can be expected. There will be less likelihood that the wrong types of food will be sent.

In still another respect we are better equipped this time to meet the situation. Data on the nature and magnitude of European needs are more complete. Without accurate knowledge of actual conditions, it is impossible to allocate available supplies in the best way. Statistics on needs and supplies in the occupied areas of Europe are being continuously gathered by experts, and submitted to the Inter-Allied Post-War Requirements Bureau in London. Though such estimates are by no means completely reliable, nevertheless a more adequate knowledge of conditions will be at the disposal of a relief and reconstruction agency this time than last.

### Organizing a Relief Administration

The foregoing survey has warned that the job for relief will tax the world's supply of goods. It will also challenge a supreme effort

[43] Carbohydrates for energy have to be added to the diet.

to insure the best use of supplies. The problem calls for more than mere interpretation of data and skillful organization of transportation. Great questions of policy must be determined before any relief supplies can move. Should a relief administration be subject to thoroughgoing international control, or should it be solely in the hands of the givers? What will be the role of private welfare agencies? What will be the policy toward vanquished nations? How will personnel be chosen for the task? These and many other questions of organization demand an immediate answer. In this section, the main problems will be posed, and some answers attempted. In this way, some of the basic principles of relief and reconstruction may be arrived at. The main problems may be grouped under five heads, which will be considered in order:

(a) The constitution of the Relief Administration. Who will control it, to what extent will control be centralized, etc?
(b) Personnel—How will it be chosen and trained?
(c) The role of private organizations in post-war relief and reconstruction.
(d) The use of previous experience and existing machinery.
(e) Financing—How will relief be financed?

**Basic Assumptions**—Before any detailed discussion of these matters, it would be well to make clear certain assumptions that are implied. The first is that relief and reconstruction should be tendered to all countries needing help, and that the degree of need will be the sole criterion. Practical advantage as well as humanitarianism impels us to assume this principle. Secretary of Agriculture Claude Wickard explained the purpose of relief and reconstruction as follows:

> Somehow the need will have to be anticipated and eventually met, on pain of loosing new forces of destruction. It will pay the United States to help, if we have the assurance that the result will be a long peace rather than new civil or international war. Under our lend-lease program, we are providing foods and munitions to repel aggression. The same logic will suggest the use of food to guard against a repetition of the danger of revolutionary upheavals in Europe. Payment may not be immediately in goods or gold. It may be simply collaboration in world-healing. As such, it might be highly acceptable.[44]

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[44] *Report of the Secretary of Agriculture, 1941*, p. 13.

World-healing means that those who have been most badly injured will be taken care of, regardless of how they were hurt.

A second assumption is that relief and reconstruction are distinctly fields of governmental activity. The magnitude of the need throughout the world and the increasing role of government in all phases of life, make this clear. Private agencies will be utterly incapable of solving the problem. The fact that governments everywhere are already the largest owners of surplus agricultural stocks makes such an assumption all the more reasonable. This by no means implies that private welfare agencies with wide experience will have nothing to say or do, but simply that relief will be "official", and that private agencies will act either as parts of, or supplements to, governmental programs.

Finally, it is assumed that there should be planning for relief on a world-wide scale, with a single administrative authority. The foregoing sketch of needs and supplies has shown that it is only by careful coordination of the two throughout the world that efficiency can be attained. Of course there are difficulties in world-wide planning, yet many people are glibly making blue-prints for international political collaboration, which contains more pitfalls than planning for a specific purpose like relief and reconstruction. There are likewise dangers in excessive centralization, but they can be avoided. Certainly the threat of chaos resulting from lack of coordination is much more grave.

### The Constitution of a Relief and Reconstruction Agency

**International Organization**—In view of the current situation, and of the experience of the A. R. A. after the last war, it appears that the broad policies of relief should be determined by an international body, while a smaller body, perhaps with a single director-general, be made responsible for the actual administration. Technical decisions would be made by special committees of experts, advising the administrative agency, and actual distribution would in most cases be carried out by national or local groups, charged with the task by the administration.

The term "international' is used in a thoroughgoing sense. Besides implying representation for the United States, England, China, and Russia, it means including all nations who contribute supplies. It signifies likewise the inclusion of Belgium, of Jugoslavia, of France, and of all other recipient countries as well, including Germany, and other ex-enemies, if they be in need of relief.

Broad international control is advisable for a number of reasons, the most important being psychological. No nation, however small and poor, wants to be dictated to, especially at the end of a war which presumably is being fought to end dictatorship. Each country has a right to be heard and to hear. Many small nations will be utterly dependent on help from outside. That dependence is humiliating enough in itself. Relief as such always creates an abnormal and, to a considerable extent, an unhealthy situation. It gives too much power to the giver, and tends to create a sense of inferiority on the part of the recipient. The sting can be partially taken out of relief if the recipient countries share in discussions of policy, though they cannot all be represented in the administrative body. Even if all the supplies came from the United States (which they most certainly will not), we ought not to play "Lady Bountiful", and expect the world to thank us for being so rich. It would be much better sense to take part in an international body, which will decide where and how supplies should go. As a matter of fact, the United States has such recognition in most of Europe that the opinion of the American member in such an international body would carry particular weight. The United States, and a few other countries will have to take the lead in forming the international body, and would undoubtedly guide its destiny; yet every nation having an interest in relief and reconstruction, must have a voice.

International control is advisable not merely because of the sensibilities of small nations. It will also be more efficient. For example, a decision concerning relief supplies to Belgium would more likely be sound if a Belgian were in the body making the decision. International control, moreover, will be advisable on account of the shipping situation. There will have to be a shipping pool, and several small nations control relatively large fleets, Holland and Norway for instance. These countries will consequently have considerable bargaining power, and could create difficulties for an administration in which they felt they had no participation.

The broader the international cooperation, the less likelihood there is that relief will be used for political purposes. It is inevitable that large supplies of food in a starving world will constitute a tremendous potential weapon. "Food will win the war and write the peace" is no exaggeration. Such a weapon ought to remain in international hands. We have already seen how in 1919, the French scotched Nansen's plan for neutral relief in Russia, because they

disliked the new Russian Government. Of course, mere international control will not automatically obviate such difficulties.

Certain dangers of non-international control are illustrated by the experience of the A. R. A. after the last war. Shortly before the Armistice, the Allied Maritime Council and the Inter-Allied Food Council recommended that existing Allied organizations arrange for supplying Europe after the Armistice. If this proposal had been accepted, the control of relief supplies (almost all from the United States) would have been in the hands of a body mainly composed of non-Americans. The United States, at Herbert Hoover's insistence, held out against such a scheme. In the long run, the Supreme War Council gave in, and made Mr. Hoover Director-General of Relief and Chairman of the Food Section of the Supreme Economic Council. " . . . the Supreme Economic Council possessed no executive powers . . . [and] never possessed independent funds. . . . Its work in connection with relief mainly consisted in the coordination so far as it was able, of the expenditures of funds which various Allied Governments had voted for special and restricted purposes, with which it was very difficult for the Council to interfere directly." [45] The Supreme Economic Council was therefore not of especial importance. Major decisions were made by the American Relief Administration, a creation of the American Government to handle Government-owned relief supplies. Mr. Hoover was its director also, and in this capacity, had almost complete competence in relief matters. As head of the American Relief Administration, he was an American official, and the relief program can therefore be described as an American affair. As Director-General of Relief, he did cooperate with other governments (and with private agencies), but it was he who ran the show.[46]

The results of this American dominance were not completely satisfactory. In the first place, American insistence on control led to protracted discussions and to delay.[47] Though the discussions

[45] H. W. V. Temperley, *A History of the Peace Conference,* vol. 1, p. 299.

[46] Hoover had no control over non-American relief, but about 85 percent of the relief was American.

[47] However, once the American machinery was set in motion, it operated with great efficiency. The work was carried out with the help of American Army personnel, drafted by Hoover. They were mostly young and adventurous, and quite willing to do an emergency job. They knew they were under American leadership, and that American methods would be used. If this particular group had had to consult or try to work with men of different nationalities, the job would not have been done so expeditiously. The problem this time will be to

began in September, 1918, it was not until February, 1919, that matters were settled by the appointment of Hoover as Director-General.[48]

Secondly, the American position bred some ill-will among other countries. In this connection, too, it is worthy of note that only the four great allies, England, France, the United States and Italy, were represented on the Supreme Economic Council, of whose food section Mr. Hoover was chairman. The small recipient nations therefore had no voice even in this body, and were thus completely excluded from policy-making.

Thirdly, the strictly American character of the Relief Administration meant that the cost of relief was influenced by American desire to get rid of surplus wheat. This was inevitable considering that the United States Grain Corporation, the owner of tremendous amounts of wheat, performed buying and shipping activities for the A. R. A. America had a virtual monopoly of wheat surpluses during the war, and farmers were loath to lose their favored position afterwards. It was only large-scale deliveries to starving Europe that could prevent a catastrophic fall of wheat prices at least to the lower level of Argentine and Australian prices. Congress had guaranteed $2.00 a bushel for the 1919 crop. In order that the crop could be sold at this high price, the United States Government granted credits to the liberated countries with which to buy it. The ex-enemy countries were compelled to pay cash.

Most of the countries which received loans to finance purchases of wheat defaulted, so in the long run the wheat was a relief grant. The financial disturbance of the debts and defaults, however, contributed to the breakdown of international economic relations. Past experience illustrates that control of relief by one nation opens the way to short-sighted policies.

Broad international organization of relief is more consistent with the ultimate purpose of relief than any other arrangement. We have seen that relief must be part of reconstruction. Now the absolute essential of reconstruction in Europe is international collaboration. The reorganization of agriculture, the restoration of

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(Cont.) assemble personnel with equal *esprit de corps*, but who are committed to work with and for an international body.

[48] The first relief food was sent in at the end of January, 1919. However, it should be pointed out that in the case of Germany, the blockade, lasting until the actual signing of the peace treaty, was responsible for the delay. Hoover, in fact, was an early and prominent exponent of raising the blockade.

continental and trans-oceanic shipping, the resettlement of populations, and all other great tasks of the transitional and reconstruction periods can be solved only by international cooperation, and they are all tasks that must be initially tackled by the relief agency. For example, unless a relief administration has the power to collaborate closely with transport authorities, it will have difficulty in distributing supplies. Control over railroads means interference in the internal affairs of sovereign states, which they will be more likely to countenance if they themselves are represented on the body doing the interfering. The alternatives are interference by sheer authority, scarcely consistent with the principles of democracy, or else abstention from interference, resulting in efficiency and chaos.

If there is going to be international cooperation after the war, relief is an excellent area in which to begin, first because the problem is world-wide, and second, because it is not an intrinsically political question. A successful international relief project would show the world the value and feasibility of international cooperation.

Whatever advantages there may be in international machinery for relief and reconstruction, there are a great many difficulties in the way. Altogether, the world's experience in international action over the past twenty years has not been convincing. It is somewhat fatuous to regard an immediate post-war era as a favorable time for cooperation and for solving problems generally. Problems are worse at the end of a war; nerves and tempers are strained too.

Even among the victorious nations, all will not be sweetness and light. Although little anti-British nor anti-American feeling exists among the smaller nations, there is an undercurrent of distrust of the big countries. Whether justified or not, many people from the small countries are afraid that England may use her favored position and the plight of the Continent to carry on "business as usual". The suspicion is reflected in the reserved attitude of the small nations ( and of the U. S. S. R. as well ) toward the Inter-Allied Bureau on Post-War Requirements, a British body collecting statistics on relief needs. So far in the war, England has scrupulously refrained from any actions that could be interpreted as profiteering,[49] but both she and the United States must take care to avoid any measures

[49] For instance, England has avoided exporting cottons to Africa in exchange for oils, though it is to her best interests to do so, as the inhabitants prefer payment in cottons to payment in pounds sterling. England has avoided exporting cotton because of the bad impression it might create in the United States on account of lend-lease.

that smack of high-handedness during the transitional period. The small nations, however, know that whoever pays the piper tends to call the tune. They are willing and anxious that the United States take a lead in organizing a relief and reconstruction agency.

Another embarrassment for international collaborators will be the instability, or even the non-existence of many governments. In several areas there may be two or more factions, each claiming the government, or perhaps the *de jure* government may be challenged by a *de facto* group, or vice versa. The relief authority will have to choose which of these to recognize,[50] and the decision will be of supreme importance, for in many areas, whatever group has control of the precious supplies will have a strong claim to be the government. Some of the present governments-in-exile will cause difficulties of this sort. These were the regularly established governments at the time the war began. At present they are undoubtedly the "legitimate" and only existing governments of their respective countries. Yet their position is not secure in every case. When the war ends, there may be new *de facto* governments on the spot, composed of men who remained at home. Such groups may feel that they are the true representatives of their people, and resist the return of the governments-in-exile. Yet if an international agency is to be set up before the end of fighting, there is little choice but to deal with the refugee groups as the governments, though they may have no power after public opinion has been made articulate again.

The supplying countries, too, may present problems. In the United States, a wave of isolationism may sweep the country when the war is over. Everyone will incline to draw a deep breath and expect that all war-time restrictions will suddenly be removed. Such an irresponsible attitude would thwart an international program of relief and reconstruction, which will depend upon willingness of the Americans to continue sacrifices at least in a modified form. This does not imply that the country will be impoverished after the war, but merely that our pre-war standard of living cannot be restored with a bounce, except at the expense of Europe, and at the price of long-run security. If there are any neutral countries left at

[50] It should be pointed out that a similar embarrassment would face a non-international relief authority for soonor or later it would probably have to decide which faction to entrust with *distribution* of supplies. Therefore, this difficulty is by no means created by organization on an international basis. The A. R. A. was faced with such problems in the Baltic states after the last war, where it threw its weight against the Bolsheviki.

the end of the war, it may be difficult to enlist their cooperation. Argentina is the most important of such nations. Switzerland, and particularly Sweden, have already showed themselves generous to the point of self-sacrifice in their efforts in behalf of unfortunate neighbors.

A final difficulty in international collaboration lies in the unwieldiness of large international groups, the ease with which deadlocks develop in them, and their distressing tendency to become debating societies. It is for this reason that the actual administrative functions should be vested in a smaller body, where no effort need be made to have every nation represented. The administration, while guided by the decisions of the larger body, could act with the speed and flexibility which will be so necessary.

**Centralization**—Despite all the difficulties besetting it, international cooperation in relief and reconstruction is still highly desirable. It should be the first principle in the constitution of a relief authority. But other questions of the constitution of the actual administrative agency remain to be settled.[51] The degree to which powers centralized in it should be delegated to smaller agencies, will require careful consideration, in the light of the lessons of the last war, and of the current situation. Unfortunately, there is no general principle to guide us here, except the rather vague statement that decentralization is advisable as long as it does not impair efficiency. Conditions in the various recipient countries will vary so vastly that no general pattern of control can be applied. It has already been shown that breakdown of community life in Russia after the last war made close supervision and large imported personnel necessary, while in Germany, local German committees functioned on their own, with occasional routine supervision by a small American staff.

The case of Russia and Germany shows how the mechanism of distribution to the ultimate consumer varied. The same example indicates also differences in actual administrative control. A. R. A. supplies in Russia were closely supervised by the A. R. A. headquarters in New York. When anything went wrong headquarters

[51] This study does not pretend to consider all the administrative problems that a relief agency will face. The reader is referred to a pamphlet of the Royal Institute of International Affairs, entitled *Relief and Reconstruction in Europe, the First Steps* (Oxford University Press, New York, 1942), for a fuller description of the administrative problems involved.

were informed and took action. The whole program was in fact carefully directed by A. R. A. headquarters.[52] The German program was radically different. The American Friends Service Committee and the British Friends Service Council, two private agencies, had complete charge. The food was A. R. A. food, but the A. R. A. gave the Friends absolute control over it. Indeed, the project was regarded in Germany and elsewhere as a Quaker project. Appointees of the Friends were the only Americans on the scene.

The A. R. A. entrusted the Friends with this task, because the Friends' pacifist record enabled them to operate successfully in a starving ex-enemy country without incurring the ill-will that others would have encountered. This time, too, there will undoubtedly be certain areas where "special handling" is required.[53] Central control will therefore have to be exceedingly flexible, and the agency in charge must adopt different procedures for different places.

The ultimate aim, of course, is to make the relief period as short as possible, by doing the job as well as possible. The sooner external controls and foreign administrators can be dispensed with, the better. As soon as stable government has been established in the recipient countries, it would be advisable to let such government supervise the actual distribution within its borders, subject of course to certain conditions laid down by the international relief and reconstruction agency. Some supervision will probably be necessary as long as a country is receiving relief supplies, but the less interference with distribution the better. The wise realization of this fact prompted the Commission for the Relief of Belgium to turn over its responsibilities to the Belgians as soon as possible after the Armistice. The Commission began withdrawing in the spring of 1919, and by August of that year, all necessary relief activities were being performed by Belgian agencies.

It may be, on the other hand, that the presence of foreigners will be a great advantage in some places, particularly while political confusion still exists. For example, Poland will undoubtedly be completely disorganized when the war ends. The presence of an

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[52] There were, as a matter of fact, some independent relief projects operating in Russia from time to time, and entrusted with A. R. A. supplies, but the main operations were directly managed by the A. R. A. itself.

[53] In this connection, it should be pointed out that the United States has a number of pacifists, many of whom are in Civilian Public Service Camps. It might prove wise to use some of these men for relief work in ex-enemy countries at the end of this war.

official from an international relief and reconstruction agency, especially if he were an American, would be indispensable in each of the 650 villages of that country. He would be a living symbol of the world's interest in helping Poland. He would promote international good-will, would bring hope to the people, and, in the role of an impartial and important outsider, might be able to smooth out differences in the community better than a local figure. Relief workers in some Eastern European villages after the last war reported that rivalries and clashes of personality were so pervasive that local people could not be entrusted with the task of organizing distribution of relief.

**The Personnel Problem**

The respective spheres of the general relief agency, of private agencies, and of individual governments thus will be different in each country. The relief administration will have to consider each recipient area separately, and make appropriate arrangements with its government. Some countries will need a large corps of imported personnel, others will require few outsiders. Hence, no general answer to the question "how many" can be given. Poland, it has already been stated, may need one administrator for each of its 650 villages, plus a good many more for regional and national headquarters. In addition, a considerable corps of technical specialists, like doctors, and engineers, may be necessary. Altogether, Poland may take some 1,000 foreign administrators. Norway, however, can doubtless get along with a mere handful, unless community life deteriorates far more than it has so far.

**Technicians**—The types of men needed likewise depend upon what conditions prevail in each of the recipient countries. It is necessary to distinguish two types of personnel, (1) the expert or technician, and (2) the manager or administrator. The first type will be needed in relatively large numbers. Several countries of Europe will require as many doctors as can be spared from nations like the United States. In the opinion of the Inter-Allied Bureau on Post-war Requirements, doctors will be more in demand than medical supplies. China likewise can use more imported doctors than she can find. Engineers, transport experts, accountants, and other technicians will be in great demand. People of this sort will comprise a technical corps. Recruiting and training technicians is relatively simple, since standards are objective. These people will be faced with problems they have been trained to deal with. They will be

working for the most part behind the scenes, in offices, and will not be in close contact with the recipients of relief.[54] However, as members of a relief administration, they must be trained to see the full implications of their tasks, and especially to realize the connection between relief and reconstruction.

**Administrators**—The administrators, on the other hand, must possess a deep understanding not only of administrative principles, but of the country where they operate, since they will be continually dealing with the population. Their task, indeed, is one of human engineering, and the utmost care must be taken in choosing them. The administrator's job, whether he be the chief of operations in Belgium or the representative in a Polish village, will consist largely of meeting people, of explaining the program, and of mobilizing local labor. He will fail unless he engenders trust, instils good-will, gives hope, and encourages self-respect. Such a man is rare. Furthermore, it is difficult to train him, or even to recognize him in some cases.

Chief among the qualities he must possess is adaptability. A relief administrator will find himself in a strange country, where people live differently, and have strange ideas. He must be able to fit in, and he must be capable of meeting the unprecedented situations and crises that always arise.[55] Secondly, and this is even more intangible, he must be motivated by a spirit of human concern, or love, which is not precisely the same as a mere desire to do good. Unless this spirit is evident, he will fail to make a favorable impression, especially in ex-enemy countries, whose citizens we may just have finished killing. A relief worker, especially if he is in direct contact with suffering people, must possess much serenity. If his nerves are too sensitive, the misery he sees will prey upon his mind, and he cannot continue. Workers often report that it is hard for them to eat a decent meal when they know that all around them people are starving. Yet if they do not maintain their own health, they will be unable to carry on the work. Strength of character, and a certain objectivity are therefore other prerequisites.

The relief worker must certainly not go over as a career-man or an adventurer. Since the best relief is that which lasts the shortest, the relief administration should seek people interested solely in

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[54] This of course is not true of doctors, who must possess, besides professional skill, the same qualities demanded of the manager and administrator.

[55] A. R. A. officials in Russia sometimes found themselves at the throttle of a locomotive.

doing the job speedily and well, not in making a profession of it. There were instances after the last war where American relief officials made an unpleasant impression on the population by flaunting wealth and prestige in the face of misery.

In this connection, it must be remarked that women often possess these inherent qualities so necessary for the relief worker. In times of great catastrophe, in both this war and the last, women have often shown more stamina than men have. As leaders of refugee groups, they have maintained morale in situations where most men go to pieces. In relief work, women often show more tact than men, and are particularly valuable for work with children. The American Friends Service Committee sent over a number of women to work in the famine areas of Russia after the last war. Every day they were faced with the most hideous conditions that any relief workers have ever met, whole villages of dead and dying, and even cannibalism. The women workers held up as well as the men.

These inherent qualities of adaptability of human concern, tact and serenity, are of prime importance. While training may accomplish much, what the person is beforehand is more significant. But after people possessing all these attributes have been selected, training will still be necessary. Mere good intentions on the part of an administrator will not suffice. Just what the training should consist of is a matter of some debate. Everyone agrees, however, that competence in language is essential. A vocabulary of eight hundred words of the requisite language, similar to the vocabulary of Basic English, would take a man far. Language is important for two reasons. First, for the sake of efficiency. Much time and effort can be saved by dealing directly with people, rather than through interpreters. Translations are apt to be misleading, even if the greatest care is exercised. Furthermore, interpreters sometimes have been known to use their power of language to discriminate. Second, and more important, a relief administrator able to talk to the people in their own language makes a much better impression. There will be enough resentment against foreign bureaucrats anyway, and it is adding insult to injury to send over men who cannot even talk the language.

Beyond basic knowledge of language, a relief worker should have an elementary acquaintance with the geography, history and economics of the country where he is to serve, and with its laws, customs, and literature. Men so equipped will be better able to

perform their jobs sympathetically. Intolerance is either a deep-seated attitude or simply the result of ignorance. If relief administrators are chosen with regard to the inherent traits of character described above, they will not be basically intolerant. If properly trained, they will not be intolerant through ignorance. Knowledge of the country where he is to serve will be of great benefit to the ordinary administrator for this reason, as a general psychological preparation for his new task, not as a special technical skill for specific application. But if several thousand administrators are to be recruited from the United States (the most likely source), it will be impossible to give them all elaborate training in national legal systems and economics. Undoubtedly, some men near the top will need special knowledge of law or economics, but they will be in a sense technicians. The rank and file administrators cannot be expected to know everything about the country where they are sent. But they should be sufficiently conversant with its language and spirit to adapt themselves to life there.

The imported administrator must also be thoroughly familiar with the Relief and Reconstruction Administration which he represents, whatever its nature may be. Otherwise he will not know what he can promise the recipients, and may be caught on a limb some day for having committed the organization to more than it can accomplish.

Academic training will doubtless be necessary for a certain number of administrators. It is therefore a hopeful sign that several training projects are already under way, both in this country and in England. The United States War Department has established a School of Military Government in Charlottesville, Virginia, to train officers for administering occupied areas. The curriculum includes relief administration. While the Army's interest is primarily military government, some of the officers so trained can perhaps be used for civilian administration of relief, after they have been released from the army. A roughly analogous training scheme primarily for British Army officers is planned at Cambridge. Private interest in training is indicated by the Columbia University Program of Training in International Administration, which began in August, 1942. This 48 weeks' course is designed to prepare the student for tasks of an administrative nature "which America may be called upon to perform in such countries or territories as the United Nations may liberate or occupy," including outright government, but particularly relief and reconstruction work. There is in-

struction in general problems of relief and rehabilitation, as well as in languages, geography, history, political and legal institutions for each region. English Friends have initiated a course for field workers, and private relief organizations in this country show a great interest in training schemes.

**Other Personnel**—These training courses are designed to prepare administrators. Will anyone else need to be sent over besides technicians and administrators? No. It would be a great mistake to send over manual laborers, semi-skilled workers and craftsmen, when there will be millions of these in Europe, looking for work. Doing work for Europeans is an utter negation of the principle of self-support through reconstruction. Not only will it cause ill-will in the recipient countries, but the overhead expenses of the administration will be raised. With able organizers, local personnel of a volunteer nature can be mobilized to do almost all the work.

**Sources of Personnel**—An idea of considerable current popularity is that people of foreign backgrounds, either second generation or naturalized Americans, or else refugees, would be excellent men to send back to their place of origin as administrators or technicians.[56] The notion has much to recommend it, but several cautions are necessary.

In the first place, it is a mistake to assume that a second-generation American understands his ancestral homeland. Most of them are completely American and know only the English language. Secondly, naturalized or second-generation Americans are not always welcome in the old country. Some Polish-Americans were sent over with the relief mission to Poland after the last war, and were not so well received as those with purely American backgrounds. Second-generation or naturalized American visitors to the homeland are wont to flaunt their good fortune at being Americans in the faces of those who stayed in Europe, or they are often regarded as international carpet-baggers. A person must be chosen on his individual merits, and foreign ancestry is not even *prima facie* evidence that he is suitable.

The same may be true of refugees. There is the added danger of sending sizable corps of refugees to Europe, a large proportion of whom would presumably be Jewish, since considerable anti-

[56] The reader is referred to Louis Adamic's stimulating book, *Two-Way Passage*.

Semitism is unfortunately to be expected in some places. Nevertheless, many refugees here would be exceedingly valuable in a relief and reconstruction administration. This is particularly true of refugee doctors, who are naturally more conversant with European conditions than an American could be.

The United States will probably supply the bulk of imported personnel. Nevertheless, it is neither possible nor desirable for us to monopolize the personnel field. Citizens of the future recipient countries should be trained for administration also, whether for service within their own borders, or somewhere else. A corollary of international control is international personnel. The Jugoslav Government-in-Exile is now training a number of young men of Jugoslavia who had left the country before the invasion, on Government scholarships, for relief and reconstruction in Jugoslavia.

Some personnel may be recruited in Western Europe, from the United Kingdom, Scandinavia, Holland, and Switzerland. They would be more apt to be conversant with European habits than Americans would. Unfortunately, training of Europeans on the Continent presents great difficulties at present.

The best existing source of personnel for foreign service in relief and reconstruction is in the several private or official agencies with past experience in relief work. Among these are the Near East Foundation, the Jewish Joint Distribution Committee, the American Friends Service Committee, the Commission for the Relief of Belgium, and the American Relief Administration. The Red Cross, with its tremendous experience in all forms of welfare work, has a large reservoir of personnel which should be used. Men and women in these and other organizations were engaged in relief and reconstruction during and immediately after the last war. Some of them would be glad to help again. Others have had more recent experience, for instance, in the current Friends Service feeding and reconstruction projects in France, or in Joint Distribution Committee activities throughout the world.

### The Role of Private Agencies

The greatest contribution of private agencies, will in fact, be in supplying personnel. However, their usefulness will not end there. It would be most unfortunate if private agencies simply turned their personnel over to some huge official body, and then disappeared from the picture completely. Though relief and reconstruction will have to be a concern of governments, private agencies

should by no means lose their identity. We have seen, for example, the valuable service rendered by British and American Friends in Germany after the last war. Other special tasks were performed equally well by the Joint Distribution Committee and the Near East Foundation in other areas. After this war, similar situations will arise, where some private group has special competence to carry out a particular task. In such a case, the official relief and reconstruction agency can entrust the job to the private organization, which will be able to function much better if it is given a large measure of responsibility. The official body should, in fact, place as much of the burden of local administration on private agencies as possible. In such cases, the official body will have to provide the private agency with relief supplies, since no private group will have sufficient resources to carry out a large-scale program.[57]

The financial field is not one where private agencies will play a particularly important part. After the last war, private charity accounted for around $377,000,000, out of a total of over $2,300,000,000.[58] This time, the proportion of private to governmental aid will probably be still smaller, since there is every indication that governments intend to make relief their responsibility.

The great value of private agencies in international relief and reconstruction lies in their smallness, and in their lack of official status. A small agency is better able to emphasize personal contact between the relief worker and the inhabitant. An unofficial body is more flexible, and in some cases more welcome. These characteristics will allow it to perform special services that a large official body could not.

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[57] However, small programs often have great significance. Importance cannot always be measured in terms of tons of wheat. One man and four chickens added five million dollars to the annual national income of Bulgaria after the last war in the following way: The Near East Foundation gave training to a young Bulgarian of considerable ability, in poultry raising in this country. He went back to Bulgaria with four pedigreed chickens, and through his enthusiastic efforts, succeeded in spreading the stock throughout the whole country. The annual average production of eggs increased as a result from around 60 per hen to over 80. Farmers became more prosperous, and their purchasing power was augmented. It is estimated that the total annual national income was increased by at least five million dollars.

[58] This latter sum is the gross value of relief granted by all agencies, and includes both profits from A. R. A. transactions (used as charity afterwards), and relief that was paid for in cash.

### The Use of Previous Experience and Existing Machinery

The official agency must not only draw upon the reservoir of experienced personnel that the private organizations will be able to provide; it must also use the administrative abilities and experience of already existing bodies, whether such agencies be public or private. In the field of public health, for instance, there is still an official international organization in Europe, the Health Organization of the League of Nations, at Geneva. Although it has suffered from the war, it will be useful afterwards. The Health Organization has for the past twenty years done extensive relief work in Eastern Europe, Spain, and China. It therefore possesses wide experience and valuable records of just the sort that is needed now. Though its personnel has been greatly reduced of late, a skeleton staff still remains. It would be very foolish for a relief administration to create an entirely new Health Organization, if the Geneva agency could be expanded or adapted to fit the need.

Failure to adapt existent and efficiently operating institutions was the cause of much unnecessary delay and confusion at the close of the last war. The United States, at Mr. Hoover's insistence, was unwilling to entrust the arrangement of supplies for Europe after the Armistice to existing Allied organizations. Consequently, in January 1919, a brand new agency was created, the "Allied Supreme Council of Supply and Relief." During its brief existence, it operated "without either the uniting force of the war, or tradition of united action which that force had given to the war organizations." [59] The Council dissolved itself in February of the same year, and the Supreme Economic Council took over its work, a more experienced and less artificial body. Meanwhile, much valuable time had been lost.

At present, international cooperation in the war is exceedingly pervasive. Organizations like the Lend-Lease Administration, and the Inter-Allied Committee on Post-War Requirements will be of great use. They may, in fact, be regarded as the first steps toward international collaboration in relief and reconstruction.

No organization designed for relief and reconstruction can afford to overlook the whole experience of the A.R.A. Though conditions will be far different this time, much can be learned by careful study of both the wisdom and mistakes of that great undertaking.

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[59] Salter, *Allied Shipping Control*, Carnegie Endowment for International Peace, Oxford, 1921, p. 221.

Copious literature exists on the subject, and most of the people active in it are still alive. Today we have a great advantage over Mr. Hoover and his colleagues, who had no comparable precedents to guide them. They carried out a tremendous job with great efficiency and devotion. Millions of lives were saved by their efforts.

## Financing

Financing is really a secondary problem, if the principle is accepted that needs constitute the primary criterion. The limit of relief and reconstruction aid will then be determined by the magnitude of available supplies, rather than by how much money can be spared. Modern experience shows that governments can spend astronomical sums of money without ruining the economy. The important question is, how does the world want to use its physical resources?

The experience of the A.R.A. shows the dangers of allowing financial considerations to affect a relief enterprise. The A.R.A., though inspired by the highest motives of disinterested service, was run like a commercial undertaking. But the nature of the task prevented its being a successful business enterprise, while the commercial policy pursued impaired its efficiency as a relief organization, as the following brief sketch of A.R.A. methods and their results will show.

In the first place, American relief was for the most part sold, not given away. About 82 percent of the gross value of all relief to Europe was for cash or credit. Over 2 percent was paid out of profits, and the balance, about 16 percent, was charity, governmental and private. Almost 61 percent of the gross value was on credit, and the sum (over $1,400,000,000) was added to the war-debts. As a matter of fact, it was never paid back, so that in the long run, the program turned out to be mainly a gift after all. Approximately one-quarter of the total was paid for in cash. The policy of selling relief made a bad impression, and created some ill-will.

Secondly, prices charged were different in various countries, an extra amount being added where the risk was thought greater. Risks included revolution and confiscation. But the countries where risks were high were often the countries where need was greatest, and the ability to pay the smallest.

Thirdly, American relief was partially designed to relieve our country of its embarrassing agricultural surpluses. The desire to

get rid of wheat and pork had some effect on the type of relief sent over, and a great effect on its price.

Lastly, a different financial arrangement was made for relief to ex-enemy countries than to the others.[60] During the Armistice period (when the bulk of relief was furnished), ex-enemies paid for about nine-tenths of their relief in cash. Liberated countries and ex-allies received about nine-tenths of theirs on credit. This distinction proved unfortunate. Requiring cash from the exhausted Central Powers meant that they were unable to get a proportion of total relief commensurate with their need. (The differential on account of risk worked to the same effect.) In addition, immediate cash payment for relief contributed in large measure to the economic difficulties of the ex-enemy countries. Their supply of foreign exchange was thereby depleted, adding to the danger of currency depreciation, which finally occurred with results devastating, not only to themselves, but to the whole world.[61]

The experience of the A.R.A. shows that relief and "business," like war and business-as-usual, do not mix. In the future, there must be no attempt to combine them. It seems probable indeed that the notion of specific repayment for relief supplies will be discarded. Compensation will be in the form of world healing, in which we all have an interest. Every nation can take part in relief, for all have something to contribute either in goods or services. All these resources should be considered as a pool, and the allocation regarded as a multilateral, reciprocal lend-lease arrangement.

## IV. PRESENT PLANS AND PROSPECTS

The present, indeed, has as much to teach us as the past. The principle that existing machinery for international collaboration must be adapted for purposes of relief and reconstruction applies *a fortiori* at the present moment. For several exceedingly useful precedents exist now, indicating that international cooperation in post-war problems can become a reality. The Lend-Lease Administration, and the Inter-Allied Committee on Post-War Requirements have already been mentioned in this connection. Another equally

[60] It should be pointed out that the distinction between enemy and non-enemy countries was not made by an administrative decision of the A. R. A., but by Congress.

[61] Payments for relief were by no means the only strain put upon the foreign exchange supply of these countries.

significant precedent is the International Wheat Agreement. Now only one of these three agencies of international cooperation, the Inter-Allied Committee, was designed for relief purposes, but all three embody principles, or have taken steps that will be of immense value in organizing international relief and reconstruction.

### The Lend-Lease Administration

The Lend-Lease Act recognizes the principle that it is to this country's immediate and practical advantage to ship overseas vast amounts of food and other supplies without any immediate payment, or even without promise of any specific payment in the future. Articles VI and VII of the Mutual Aid Agreement with Great Britain [62] illustrate the liberality of terms, characteristic of all the lend-lease agreements:

> ARTICLE VI.
>
> In the final determination of the benefits to be provided to the United States of America by the Government of the United Kingdom, full cognizance shall be taken of all property, service, information, facilities, or other benefits or considerations provided by the Government of the United Kingdom. . . .
>
> ARTICLE VII.
>
> In the final determination of the benefits to be provided to the United States of America by the Government of the United Kingdom . . . the terms and conditions thereof shall not be such as to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of worldwide economic relations. . . .

By June 1, 1942, the United States had shipped under these terms over five billion pounds of farm products alone, worth three-quarters of a billion dollars. The Department of Agriculture, through the Agricultural Marketing Administration, has created an efficient mechanism for receiving British and other requests for farm products, for buying the products and shipping them to the docks. The

[62] Signed on February 23, 1942. The text is printed in the *Department of State Bulletin* for February 28, 1942, p. 190 ff.

United States and other nations gladly make this sort of effort during the war for military reasons. Why should not the same excellent mechanism be used for the equally valid purpose of reconstruction afterwards? Farmers have shown themselves able to meet the new record demands for production of protective foods, which compose the bulk of the lend-lease farm shipments. As a matter of fact President Roosevelt recognized the post-war value of the lend-lease principle when he said of the "master agreements": "These agreements are taking shape as key instruments of national policy, the first of our concrete steps in the direction of affirmative post-war reconstruction." [63] In the same report, the President mentioned another highly important principle, *viz.*, that if one of the United Nations has devoted to the common cause as high a percentage of its national income as another, then it does not "owe" anything, bookkeeping balances notwithstanding.

### The Preliminary International Wheat Agreement

The responsibility of the surplus-producing nations for feeding the starving free of charge was recognized in the preliminary International Wheat Agreement [64] signed in the spring of 1942 by the United States, Argentina, Canada, Australia, and Great Britain. In Article III, the four great surplus wheat producers (United States, Argentina, Canada, and Australia), agree to create a pool of 100,000,000 bushels for "intergovernmental relief," with additional amounts to be provided later "when the extent of the need becomes known." Each of the four nations will contribute its share to the pool, without compensation. 100,000,000 bushels is not very much, when the need is considered, and it is not more than one-sixth of the carry-over of the United States alone. However, subsequent contributions are definitely provided for, and Article VIII envisages the possibility of meeting appeals in the distant future from areas where famine may exist from other causes than war.

The provision for this gift, in the Memorandum of Agreement, is quite revolutionary. If the principle were logically extended, similar international agreements regarding the disposition of corn, cotton, cocoa, and other possible surpluses could be made, to everyone's advantage.

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[63] Fifth Report on Lend-Lease Operations, 15 June, 1942.

[64] The text of this "Memorandum of Agreement" is printed in the *Department of State Bulletin* July 4, 1942.

The provisional International Wheat Agreement is also the first step toward rational planning of production. Assuming an allied victory, it provides for a Wheat Conference at the end of the war, for all nations interested in wheat, either as exporters or importers, at which wheat production will be planned. (Article II). Meanwhile, certain provisions of the Draft Convention (which will serve as a basis for the subsequent International Agreement) are brought into effect immediately (by Article IV), providing for the immediate though limited control by the five countries of production, stocks, and exports. Out of an extension of such agreements can come the much-needed reform of European agriculture we considered earlier.

Another significant point in the Agreement is the provision that distribution of the relief pool be entrusted to "such intergovernmental relief body as may be set up and given general responsibility for the distribution of relief." [65] Such a provision naturally is impetus for the creation of an "intergovernmental relief body."

### The Inter-Allied Committee on Post-War Requirements

Third, there is the Inter-Allied Committee on Post-War Requirements commonly known as the Leith-Ross Committee. It was established by a resolution of ten Allied Nations [66] and a representative of the Free French forces, at a meeting at St. James' Palace, London, on 24 September, 1941. According to the Resolution, the function of the Committee is to receive the estimates and proposals submitted to it by the Inter-Allied *Bureau* on Post-War Requirements. The Bureau was established by the same resolution. It is misnamed, for it is a British body, under the direction of Sir Frederick Leith-Ross, and its task is to collate and coordinate estimates of the post-war food, raw-material, and other needs of prime necessity in the countries now occupied by the Axis. The Bureau, in short, is a sort of secretariat for the Committee. The Committee is an international body of Allied representatives, also under the chairmanship of Sir Frederick Leith-Ross.

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[65] Article IV. Provision is made that in case no such body is operative in areas where the Wheat Council wants to give relief, the Council shall make whatever arrangements it sees fit "with the appropriate authorities".

[66] United Kingdom, U. S. S. R., Belgium, Czechoslovakia, Greece, Jugoslovia, Luxembourg, Netherlands, Norway, Poland. The text of the Resolution is printed in the *Inter-Allied Review*, October 15, 1941.

The collection of data on European needs by the Bureau is already well under way. Experts from each allied coutry collect the data for their respective nations, and submit them to the Bureau. Some of the statistics have to be smuggled out of the country and their reliability cannnot be assured in all cases. Belgium and Poland had begun to make such estimates before the Bureau was founded.

The Committee has a technical sub-committee on agriculture, which has already made considerable progress, especially in the study of availability of livestock for reconstitution of Europe's herds. It has done similar work on the seed problem. Other technical sub-committees on nutrition, on transportation, and on medicine, are in prospect.

The establishment of an International body to receive correlated estimates of needs on the Continent is a hopeful sign that there will be international cooperation in relief and reconstruction. Such a body could form the basis of, or at least provide the initiative for, an international commission for post-war relief and reconstruction. Furthermore, the Bureau is the only place where anything approaching adequate data on European conditions is being collected.[67]

Many of the elements necessary for international administration of relief are shown by this review to be already in existence. Needs are being studied by the Leith-Ross Bureau. The existence of the

[67] There are, however, several limitations of the Leith-Ross Committee and the Bureau.

First, no data on the needs in enemy countries are being collected.

Secondly, the Committee was given no definite mandate. Its task appears to be to run the Bureau, but not to do anything with the facts that the Bureau finds.

Third, rapid changes in the war situation have made the constitution of the Committee outmoded. Since its creation, the United States and China have become members of the United Nations, but, up to the summer of 1942 at least, were not members of the Committee. (The United States Government, through the Ambassador at London, expressed interest in, and approval of the Resolution at the time of its adoption, and was assured that it would be kept informed of the work of the Bureau and the Committee.) Thus, it would be totally inadequate to initiate or to manage a relief program, since the United States and China are indispensable elements.

There is also reason to think that the constitution of the Bureau itself is unsatisfactory, because it is British, and not international. Although its job is confined to fact-finding, it is open to question whether even correlation of complicated international data can be well done by a distinctly national body. For example, a Norwegian is best able to understand the significance of the statistics from his country. The Bureau does consult with foreign representatives, but it should itself be international. Russia objected from the first to the purely British character of the Bureau, and has remained somewhat aloof.

Lend-Lease Administration and of the Preliminary Wheat Agreement not only indicates the disposition of several important countries to do their share in post-war relief and reconstruction, but provides useful machinery as well.

The appointment of Herbert Lehman by President Roosevelt as "Director of Foreign Relief and Rehabilitation" indicates that the United States Government intends to be ready with large-scale relief for necessitous areas held by the United Nations. Mr. Lehman's mandate is to organize American relief for such areas, even before the end of the war. His task is to set up an American relief administration. Important as this step is, it is by no means the final answer to the relief problem, which, as has been demonstrated, must be solved internationally. The basic decisions necessary for the formation of an over-all international relief agency have not yet been made. Until such an agency is created, no concrete or adequate measures of preparation can be taken. Considerable confusion, overlapping, and jealousy remain among those making plans. Meanwhile, time is slipping by. It is of the utmost importance that well-coordinated machinery for relief and reconstruction be ready to operate the instant that conditions permit. The first days of peace must bring relief for Europe, if the victors are to prove that democracy can win peace as well as win wars. It is imperative that machinery be created in advance, even though last minute changes will have to be made.

Even if plans are coordinated, and an efficient administration is established, there is every indication that available supply will fall short of the needs. The longer the war lasts, the more difficult the task of rebuilding. The war has already done irreparable damage, not only in destroying lives, but in filling men's souls with hatred and despair. Restoration of human faith and dignity is our real task. After the degradation of war, it may seem impossible, yet from the wreckage of body and mind, a new Europe must arise.